

Dated 201...

HARVEY & SON (LEWES) LIMITED (1)

and

[INSERT TENANT] (2)

and

[INSERT GUARANTOR] (3)

LEASE
in respect of
[INSERT PUB ADDRESS]

Term Start Date:
Term Expiry Date:
Initial Rent:



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THIS LEASE is dated

PARTIES

- (1) **HARVEY & SON (LEWES) LIMITED** whose registered office is situate at The Bridge Wharf Brewery, 6 Cliffe High Street, Lewes, East Sussex, BN7 2AH (**Landlord**).

- (2) **[[FULL COMPANY NAME]** incorporated and registered in England and Wales with company number **[NUMBER]** whose registered office is at **[REGISTERED OFFICE ADDRESS]** OR **[INDIVIDUAL NAME]** of **[INDIVIDUAL ADDRESS]** and **[INDIVIDUAL NAME]** of **[INDIVIDUAL ADDRESS]]** (Tenant).

- (3) **[[FULL COMPANY NAME]** incorporated and registered in England and Wales with company number **[NUMBER]** whose registered office is at **[REGISTERED OFFICE ADDRESS]** OR **[INDIVIDUAL NAME]** of **[INDIVIDUAL ADDRESS]** and **[INDIVIDUAL NAME]** of **[INDIVIDUAL ADDRESS]]** (Guarantor).

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this lease.

1.1 Definitions:

Act of Insolvency:

- (a) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or any guarantor;

- (b) the making of an application for an administration order or the making of an administration order in relation to the Tenant or any guarantor;

- (c) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant or any guarantor;

- (d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or any guarantor;

- (e) the commencement of a voluntary winding-up in respect of the Tenant or any guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of

which a statutory declaration of solvency has been filed with the Registrar of Companies;

- (f) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or any guarantor;
- (g) the striking-off of the Tenant or any guarantor from the Register of Companies or the making of an application for the Tenant or any guarantor to be struck-off;
- (h) the Tenant or any guarantor otherwise ceasing to exist (but excluding where the guarantor dies); or
- (i) the making of an application for a bankruptcy order, the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant or any guarantor.

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (*SI 1994/2421*) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (*SI 2001/1090*) (as amended).

Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction.

Annual Rent: rent at an initial rate of **£[AMOUNT]** per annum and then revised pursuant to this Lease.

Business: the business conducted from the Property for the retail sale of alcoholic and non-alcoholic drinks, refreshment and food for consumption on and off the Property with or without ancillary bed and breakfast and any other ancillary uses approved by the Landlord and authorised by a planning permission.

CDM Regulations: the Construction (Design and Management) Regulations 2015 (*SI 2015/51*).

Code of Practice: the Landlord's current accredited Code of Practice in the form attached in Schedule 3 or any updated versions which the Landlord supplies to the Tenant from time to time.

Compliance Charge: The costs incurred or reasonably expected by the Landlord to be incurred providing the services mentioned in Clause 37.2 of this Lease.

Compliance Costs: The actual costs incurred by the Landlord providing the services mentioned in Clause 37.2 of this Lease.

Contractual Term: a term of five (5) years beginning on, and including the **[INSERT DATE]** and ending on, and including **[INSERT DATE]**.

Default Interest Rate: 4% per annum above the Interest Rate.

Designated Premises Supervisor: shall have the meaning attributed to it under the Licensing Act 2003

Energy Assessor: an individual who is a member of an accreditation scheme approved by the Secretary of State in accordance with regulation 22 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118) or regulation 30 of the Building Regulations 2010 (SI 2010/2214).

Energy Performance Certificate: a certificate as defined in regulation 2(1) of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

Fixtures and Fittings: all fixtures, fittings, plant, machinery and equipment in or on the Property from time to time including boilers, Service Media, and equipment relating to heating, ventilation and air conditioning, sanitary ware, cellar cooling system, pumps, sewerage systems and tanks, sprinkler systems, electrical and gas installations (except portable equipment), wall and floor coverings, external lighting and signage, lifts and hoists, bar servery, back fittings, and any other fixtures fittings or equipment in or on the Property which do not form part of the trade inventory.

Insurance Rent: the aggregate in each year of the gross cost of the premium before any discount or commission for the insurance of:

- (a) the Property, including all plate glass windows and doors, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses;
- (b) loss of Annual Rent of the Property for three years; and
- (c) any insurance premium tax payable on the above.

Insured Risks: means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, subsidence, ground slip, heave, riot, civil commotion, and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Interest Rate: the base rate from time to time of Barclays Bank PLC, or if that base rate stops being used or published then a comparable commercial rate reasonably determined by the Landlord.

Landlord's Neighbouring Property: each and every part of any adjoining and neighbouring property in which the Landlord has an interest.

Licensable Activity: shall have the meaning attributed to it by the Licensing Act 2003

LTA 1954: Landlord and Tenant Act 1954.

Permitted Use: as a public house within Use Class A4 of the Town and Country Planning (Use Classes) Order 1987 as at the date this lease is granted.

Personal Licence: a personal licence as defined by the Licensing Act 2003.

Premises Licence: a premises licence issued under the Licensing Act 2003 relating to the Property.

Property: All those licensed premises known by the sign of **[INSERT NAME OF PUB AND ADDRESS]** as the same are registered at HM Land Registry under title number **[INSERT NUMBER]** shown for the purposes of identification only edged red on the attached plan together with the Landlord's fixtures fittings plant machinery and equipment therein and all additions alterations and improvements thereto.

Recommendation Report: a report as defined in regulation 4 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

Rent Commencement Date: **[DATE]**.

Rent Payment Dates: the 15th day of each month.

Reservations: all of the rights excepted, reserved and granted to the Landlord by this lease.

Service Media: all media for the supply or removal of heat, electricity, gas, water, sewage, air conditioning, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

Third Party Rights: all rights, covenants and restrictions affecting the Property including the matters referred to at the date of this lease in the property register and charges register of title number **[TITLE NUMBER]**.

VAT: value added tax chargeable under the VATA 1994 and any similar replacement tax and any similar additional tax.

VATA 1994: Value Added Tax Act 1994.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns. A reference to a **guarantor**

includes a reference to the Guarantor and to any other guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.

- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law) by the Landlord.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, a reference to the **Property** is to the whole and any part of it.
- 1.7 A reference to the **term** is to the Contractual Term.
- 1.8 A reference to the **end of the term** is to the end of the term however it ends.
- 1.9 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 43.5 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 43.6.
- 1.10 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.11 A reference to laws in general is a reference to all local, national and directly applicable supra-national laws as amended, extended or re-enacted from time to time and shall include all subordinate laws made from time to time under them and all orders, notices, codes of practice and guidance made under them.
- 1.12 Unless otherwise specified, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision and all orders, notices, codes of practice and guidance made under it.
- 1.13 Any obligation on the Tenant not to do something includes an obligation not to allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.

- 1.14 Unless the context otherwise requires, any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.15 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.16 Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this lease and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.17 Clause, Schedule and paragraph headings shall not affect the interpretation of this lease.
- 1.18 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.19 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

2. RECITALS

- 2.1 The Landlord owns certain on licensed premises including the Property hereby let for the purpose of affording to themselves outlets under the Landlord's sign for the retail sale of beer and other products
- 2.2 The Landlord (having regard to the Tenant's personal qualities) has agreed to let the Property to the Tenant on condition that:
- (a) the Tenant will carry on the business of licensed victualler in the Property;
 - (b) the Tenant will do so in an efficient manner so as to maintain and extend the Business;
 - (c) the Tenant will ensure that he operates in a lawful and orderly manner and that the premises licence for the Property is safeguarded;
 - (d) the Tenant will promote and use his best endeavours to sell the products set out in this Lease in the Property in accordance with the detailed requirements of this Lease
 - (e) Clause 31 (Terms of Trading) contains exclusive purchase obligations which are intended to obtain the benefit of the block

exemption from the provisions of Article 85(1) of the Treaty of Rome granted by EEC Regulation 1984/83

- (f) The parties have agreed that the rent hereby reserved represents the rent which might reasonably be expected to be offered for the tenancy in the open market having regard to all the terms of this Lease and in particular the exclusive purchase obligations contained in Clause 31 and that such a rent being lower than it would be if no such exclusive purchase obligations were imposed upon the Tenant provides the Tenant with special commercial or financial advantages within the meaning of Article 6 of EEC Regulation 1984/83

3. GRANT

3.1 **[At the request of the Guarantor, the OR The]** Landlord lets with full title guarantee the Property to the Tenant for the Contractual Term.

3.2 The grant is made excepting and reserving to the Landlord the rights set out in clause 5, and subject to the Third Party Rights.

3.3 The grant is made with the Tenant paying the following as rent to the Landlord:

- (a) the Annual Rent and all VAT in respect of it,
- (b) the Insurance Rent;
- (c) the Compliance Charge
- (d) all interest payable under this lease; and
- (e) all other sums due under this lease.

4. ANCILLARY RIGHTS

Neither the grant of this lease nor anything in it confers any right over neighbouring property nor is to be taken to show that the Tenant may have any right over neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.

5. RIGHTS EXCEPTED AND RESERVED

5.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Landlord's Neighbouring Property and to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:

- (a) rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
- (b) the right to use and to connect into Service Media at the Property which are in existence at the date of this lease or which are installed or constructed during the Contractual Term;
- (c) at any time during the term, the full and free right to develop the Landlord's Neighbouring Property and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit;
- (d) the right to erect scaffolding at the Property and attach it to any building or structure on the Property in connection with any of the Reservations;
- (e) the right to build on or into any boundary wall of the Property in connection with any of the Reservations; and
- (f) the right to re-route any Service Media at or serving the Property or re-route any means of access to or egress from the Property
- (g) the right to install, operate, inspect, maintain, replace, substitute and upgrade any drinks dispensing equipment, and drink monitoring equipment and associated cables and equipment, and to connect in to and use the Service Media at your cost for these purposes

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or loss of amenity for the Property.

5.2 The Landlord reserves the right to enter the Property:

- (a) to repair, maintain or replace any Service Media or structure relating to any of the Reservations;
- (b) to view the condition or state of repair of the Property or to carry out thereon repairs and any alterations which the Landlord may determine to carry out
- (c) together with prospective tenants or purchasers or their agents to view the Property at all reasonable times during the term
- (d) to execute repairs or alterations to any adjoining properties belonging to the Landlord the Landlord making good to the Tenant all damage caused but excluding damage for temporary inconvenience loss or annoyance
- (e) for any other purpose mentioned in or connected with:
 - (i) this lease;
 - (ii) the Reservations; and

(iii) the Landlord's interest in the Property.

5.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.

5.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant.

5.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of those Reservations except for:

- (a) physical damage to the Property; or
- (b) any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability.

6. THIRD PARTY RIGHTS

6.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.

6.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

7. THE ANNUAL RENT

7.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by twelve equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by direct debit or by any other method that the Landlord requires at any time by giving notice to the Tenant.

7.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on **[the date of this lease and shall be the proportion, calculated on a daily basis, in respect of the period beginning on the date of this lease and ending on the day before the next Rent Payment Date OR the**

Rent Commencement Date and shall be the proportion, calculated on a daily basis, in respect of the period beginning on the Rent Commencement Date and ending on the day before the next Rent Payment Date].

8. RENT REVIEW

8.1 Definitions

In this clause the following words have the following meanings:

- 8.1.1 'Annual Review Dates' mean the 15th September **201*** and each 15th September thereafter during the term of this Lease
- 8.1.2 'Annual Additional Rent' means a sum being the same percentage of the rent payable for the twelve months preceding the relevant Annual Review Date as any percentage increase in the RPI Index for the twelve months to the 30th June preceding the relevant Annual Review Date
- 8.1.3 'Annual Revised Rent' means the rent payable immediately before the relevant Annual Review Date plus the Annual Additional Rent but not less than the rent payable immediately prior to the relevant Annual Review Date
- 8.1.4 'the RPI Index' means the Retail Prices all items Index published by the Office for National Statistics or any official publication substituted therefor
- 8.1.5 "Review Date" means any Review Date notified in accordance with clause 8.3.2 below
- 8.1.6 "Review Period" means the period starting with any Review Date and ending upon (but including) the day preceding the next Review Date or Annual Review Date
- 8.1.7 "Yearly Rent" means the rent payable immediately before the relevant Review Date (or which would be payable were it not for any abatement of rent in accordance with this Lease or any statutory restriction or modification)
- 8.1.8 "Rent Concession" means any rent-free or reduced rent period or rental allowance or capital payment in lieu or similar concession
- 8.1.9 "the Revised Rent" means the greater of the rent at which the Premises might reasonably be let in the open market at the relevant Review Date making the Assumptions and disregarding the Disregards and the Yearly Rent
- 8.1.10 '**Assumptions**' mean that on the relevant Review Date the Premises are available to let on the open market:

- 8.1.10.1 by a willing lessor to a willing lessee (which expression “willing lessee” shall for the avoidance of doubt include the Tenant)
- 8.1.10.2 without a fine or a premium;
- 8.1.10.3 with vacant possession;
- 8.1.10.4 for a term of 5 years
- 8.1.10.5 as a whole;
- 8.1.10.6 subject to the terms of this Lease (other than the amount of the rent reserved by this Lease but including the provisions for review of the rent);
- 8.1.10.7 upon terms that the willing lessee would commence paying rent immediately on the relevant Review Date and that such rent would not be discounted to reflect the absence of any Rent Concession being offered by lessors to lessees upon the grant with vacant possession of leases in the open market of premises comparable with the Premises
- 8.1.10.8 that the Property are fit for their intended use and available for fitting out and thereafter for immediate occupation and use;
- 8.1.10.9 that the Property may be used for any purpose permitted by this Lease;
- 8.1.10.10 that the covenants contained in this Lease have been fully performed and observed;
- 8.1.10.11 that no work has been carried out to the Property which has diminished their rental value (other than any work required to be carried out pursuant to the provisions of any statute order or notice lawfully and properly served by any local or other competent authority) but on the assumption that any such work has been carried out in a good substantial and workmanlike manner using good quality materials so as to minimise any diminution of the rental value of the Property;
- 8.1.10.12 that in case the Property have been destroyed or damaged by any insured risk they have been fully restored; and
- 8.1.10.13 that the willing lessee suffers no disadvantage at the relevant Review Date or at any time during the term arising from an

actual or potential election by the Landlord to waive exemption in respect of VAT so far as concerns rent payable or of any taxable supply received by the Tenant under or in connection with this Lease;

8.1.11 **'Disregards'** mean:

8.1.11.1 any effect on rent of the fact that the Tenant or their respective predecessors in title have been in occupation of the Property;

8.1.11.2 any goodwill attached to the Property by reason of the carrying on at the Property of the Business of the Tenant or their respective predecessors in title in their respective Businesses;

8.1.11.3 any increase in rental value of the Property attributable to the existence at the relevant Review Date of:-

8.1.11.3.1 any improvement to the Property carried out with all necessary consents having been obtained (including those of the Landlord and of local authorities or other bodies exercising powers under statute or Royal Charter) and carried out otherwise than in pursuance of an obligation (not being an obligation to comply with statutes or orders or with any notice served by the local or any other competent authority) to the Landlord or their predecessors in title by the Tenant or their respective predecessors in title whether before or during the term and whether as tenant or licensee;

8.1.11.3.2 the value of any rent concession of whatsoever kind generally available to new or prospective lessees in the open market for the purpose of applying to the Property evidence of rents passing in that market;

8.1.11.3.3 any effect on rent of any obligation to the Tenant arising under this Lease or any deed, licence, consent or other instrument made by the Landlord at the request of the Tenant to reinstate the Property to the condition or design of the Property before the carrying out of any works to the Property;

8.1.11.3.4 any restraint or restriction upon the right to recover rent imposed by statute;

8.1.11.3.5 any Rent Concession allowed to the Tenant under the terms of this Lease or under any agreement for lease pursuant to which this Lease has been granted

8.2 **The Annual Rent Review**

8.2.1 The rent reserved by this Lease shall be revised on each of the Annual Review Dates to the Annual Revised Rent except in any year of the term when a review has taken place in accordance with Clause 8.3 hereof

8.2.2 in the event of it becoming impossible by reason of any change after the date hereof in the methods used to compile the RPI Index or for any other reason whatsoever to calculate the Annual Additional Rent by reference to the RPI Index or if any dispute or question whatsoever shall arise between the parties hereto with respect to the amount of the Annual Additional Rent or with respect to the construction or effect of this Clause the determination of the Additional Rent or other matter in difference shall be determined by a single arbitrator acting as an expert who shall have full power to determine on such date as he shall deem apposite what would have been the increase in the said RPI Index had it continued on the basis and giving the information assumed to be available for the operation of this Clause with the cost of the arbitrator being borne by the party who refers the matter to him

8.2.3 the Landlord shall calculate and give written notice to the Tenant of the Annual Revised Rent as soon as is reasonably possible after the relevant Annual Review Date although time shall not be of the essence

8.2.4 until the Annual Revised Rent has been agreed or determined pursuant to the provisions of this clause the Tenant shall continue to pay rent at the rate reserved immediately prior to the relevant Annual Review Date Provided that on or before the day on which payment of rent falls due immediately following the date the Annual Revised Rent has been agreed or determined as aforesaid the Tenant shall pay to the Landlord a sum equal to the amount by which the Annual Revised Rent shall exceed the rent reserved immediately prior to the relevant Annual Review Date but duly apportioned in respect of the period commencing on the relevant Annual Review Date and ending on the day on which payment of rent falls due immediately following the date on which the Annual Revised Rent is agreed or determined as aforesaid

8.3 **Further Rent Review**

8.3.1 The rent payable under this Lease shall also be reviewed to the Revised Rent on each of the Review Dates

8.3.2 If the Landlord shall have carried out alterations to the Property under an agreement with the Tenant that this clause 8.3.2 shall have effect on the completion of such alterations the Landlord may by not less than one month's

notice in writing given to the Tenant require that a date specified in such notice and occurring at any time shall be a Review Date

8.3.3 The Revised Rent for any Review Period may be agreed at any time between the Landlord and the Tenant or (in the absence of agreement) determined not earlier than the relevant Review Date by an arbitrator (such arbitrator to be experienced in the letting and/or management of premises in the licensing industry in the event that at the relevant Review Date the principal use of the Premises is use as licensed premises or otherwise in the letting and/or management of similar premises to the Premises) to be nominated in the absence of agreement by or on behalf of the President for the time being of the Royal Institution of Chartered Surveyors on the application of the Landlord or the Tenant made not earlier than six months before the relevant Review Date but not later than the end of the relevant review period and so that in the case of such arbitration the Revised Rent to be awarded by the arbitrator and in the event of an arbitration;

8.3.3.1 the arbitration shall be conducted in accordance with the Arbitration Act 1996

8.3.3.2 if the arbitrator shall die, delay or become unwilling or incapable of acting or if for any other reason the President for the time being of the Royal Institution of Chartered Surveyors or the person acting on his behalf shall in his absolute discretion think fit he shall by writing discharge the arbitrator and appoint another in his place;

8.3.3.3 in his award the arbitrator shall give written reasons for his determination; and

8.3.3.4 if either the Landlord or the Tenant shall fail to pay any costs awarded against it within twenty-one days of such costs being demanded by the arbitrator then the other of them shall be entitled to pay such costs and the amount so paid shall be repaid on demand by the chargeable party.

8.3.4 As soon as practicable after the amount of the Revised Rent shall have been ascertained, memoranda recording the amount of the Revised Rent shall be signed by or on behalf of the Landlord and the Tenant and annexed to this Lease and to the Counterpart and the Landlord and the Tenant shall each bear their own costs in this procedure.

8.3.5 If the yearly rent payable on and from any Review Date has not been ascertained by that Review Date then the Tenant shall pay to the Landlord:-

8.3.5.1 until the date of ascertainment yearly rent at the rate in force immediately before that Review Date;

8.3.5.2 upon the date of ascertainment the amount representing the difference (“the shortfall”) between:-

8.3.5.3 the amount of the yearly rent due for payment for the period from that Review Date until (but excluding) the quarter day following the date of ascertainment; and

8.3.5.4 the amount which would have been payable for that period if the Revised Rent had been ascertained at that Review Date;

8.3.5.5 interest at the rate of 2% per annum above the base lending rate of Barclays Bank PLC from time to time on each instalment of the shortfall calculated on a day-to-day basis by reference to the quarter days upon which parts of the shortfall would have been payable if the Revised Rent had been ascertained at that Review Date.

8.3.6 the Revised Rent shall be deemed to be ascertained on the date upon which it has been agreed between the Landlord and the Tenant or the date of the award of the arbitrator or (if a copy of the award shall not be issued by the arbitrator to the Tenant or the Tenant’s solicitors or surveyors on the date of the award) the date of service on the Tenant of a copy of such award.

8.3.7 If at a Review Date the Landlords right to collect review or increase the rent as from that Review Date in accordance with this Lease is restricted or modified by law then when such restriction or modification is removed released or modified the Landlord may by giving not less than seven day’s notice in writing to the Tenant prescribe as an additional Review Date the date of expiration of such notice and the rent payable from such additional Review Date as shall be ascertained as provided by this Clause 8.3

9. THE COMPLIANCE CHARGE

9.1 Before or as soon as practicable after the start of each calendar year, the Landlord shall prepare and send the Tenant a statement and estimate of the Compliance Charge for that particular year.

9.2 The Tenant shall pay the Compliance Charge in twelve equal instalments in advance on the 15th day of each month. The payments shall be made by direct debit or by any other method that the Landlord requires at any time by giving notice to the Tenant.

9.3 In relation to the calendar year current at the date of this lease, the Tenant’s obligations to pay the estimated Compliance Charge and the actual

Compliance Charge shall be limited to an apportioned part of those amounts, such apportioned part to be calculated on a daily basis for the period from and including the date of this lease to the end of the calendar year. The estimated Compliance Charge for which the Tenant is liable shall be paid in equal instalments in the manner set out in clause 9.2 above.

9.4 As soon as reasonably practicable after the end of each calendar year, the Landlord shall prepare and send to the Tenant a certificate showing the Compliance Costs for that Service Charge Year. The certificate shall be in accordance with the compliance charge accounts prepared by the Landlord. The Tenant may inspect the accounts and the supporting invoices and receipts by appointment with the Landlord.

9.5 If any cost is omitted from the calculation of the Compliance Charge or Compliance Costs in any calendar year, the Landlord shall be entitled to include it in the estimate and certificate of the Compliance Charge and Compliance Costs in any following calendar year. Otherwise, and except in the case of manifest error, the Compliance Costs certificate shall be conclusive as to all matters of fact to which it refers.

9.6 If, in respect of any calendar year, the Landlord's estimate of the Compliance Charge is less than the Compliance Costs, the Tenant shall pay the difference on demand. If, in respect of any calendar year, the Landlord's estimate of the Compliance Charge is more than the Compliance Costs, the Landlord shall credit the difference against the Tenant's next instalment of the estimated Compliance Charge (and where the difference exceeds the next instalment then the balance of the difference shall be credited against each succeeding instalment until it is fully credited).

10. INSURANCE

10.1 Subject to clause 10.2, the Landlord shall keep the Property (excluding all plate glass windows and doors at the Property) insured against loss or damage by the Insured Risks for the sum which the Landlord considers to be its full reinstatement cost (taking inflation of building costs into account) including loss of rent for two years. The Landlord shall not be obliged to insure any part of the Property installed by the Tenant.

10.2 The Landlord's obligation to insure is subject to:

- (a) any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
- (b) insurance being available in the London insurance market on reasonable terms acceptable to the Landlord.

10.3 The Tenant shall pay to the Landlord on demand:

- (a) the Insurance Rent;
- (b) any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy; and
- (c) any costs that the Landlord incurs in obtaining a valuation of the Property for insurance purposes.

If the Landlord insures the Property together with other land, the amount of the Insurance Rent shall be a fair proportion of the total for the Property and the other land.

10.4 The Tenant shall:

- (a) immediately inform the Landlord if any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property and shall give the Landlord notice of that matter;
- (b) not do or omit anything as a result of which any policy of insurance of the Property or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased or additional insurance premium may become payable;
- (c) comply at all times with the requirements and recommendations of the insurers relating to the Property;
- (d) give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;
- (e) not effect any insurance of the Property, but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property pay those proceeds or cause them to be paid to the Landlord; and
- (f) pay the Landlord an amount equal to any insurance money that the insurers of the Property refuse to pay by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property with the actual or implied authority of any of them.

10.5 The Landlord shall, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) to repair the damage for which the money has been received or (as the case may be) in rebuilding the Property. The Landlord shall not be obliged to:

- (a) provide accommodation identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property is provided; or
 - (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent; or
 - (c) repair or rebuild the Property after a notice has been served pursuant to clause 10.7.
- 10.6 If the Property is damaged or destroyed by a risk against which the Landlord is obliged to insure so as to be unfit for occupation and use then, unless the policy of insurance of the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use.
- 10.7 If, following damage to or destruction of the Property, the Landlord considers that it is impossible or impractical to reinstate the Property, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall belong to the Landlord.

11. RATES AND TAXES

- 11.1 The Tenant shall pay all present and future rates, taxes and other impositions and outgoings payable in respect of the Property, its use and any works carried out there, except:
- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
 - (b) any taxes (other than VAT and insurance premium tax) payable by the Landlord by reason of the receipt of any of the rents due under this lease.
- 11.2 If any rates taxes or other impositions and outgoings are payable in respect of the Property together with other property, the Tenant shall pay a fair proportion of the amount payable.
- 11.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.

- 11.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

12. UTILITIES

- 12.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.
- 12.2 If any of those costs are payable in relation to the Property together with other property, the Tenant shall pay a fair proportion of all those costs.
- 12.3 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

13. COMMON ITEMS

- 13.1 The Tenant shall pay the Landlord on demand a fair proportion of all costs payable for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items used or capable of being used by the Property in common with other property.
- 13.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items.

14. VAT

- 14.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.
- 14.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

15. DEFAULT INTEREST AND INTEREST

- 15.1 If any Annual Rent or any other money payable under this lease has not been paid by the date it is due, (in the case of the Annual Rent whether it has been formally demanded or not), the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgement) on that amount for the period from the due date to and including the date of payment.
- 15.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Default Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

16. COSTS

- 16.1 The Tenant shall pay the costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with or in contemplation of any of the following:
- (a) the enforcement of the tenant covenants of this lease;
 - (b) serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
 - (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
 - (d) the preparation and service of a schedule of dilapidations in connection with this lease and the costs incurred in connection with any subsequent negotiations ancillary thereto;
 - (e) any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it);
 - (f) the recovery of vacant possession of any part or the whole of the Property from any subtenant licensee service occupier or other occupier deriving right to occupy through the Tenant after the expiry or earlier determination of the term;
 - (g) the annual cost of the Premises Licence in respect of the Property;

- (h) **[the Landlord's costs in respect of the preparation of this Lease which shall be fixed at [£INSERT FIGURE]**

16.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

16.3 On each occasion that any payment made by the Tenant is bounced, rejected, returned or not honoured, the Tenant shall pay the Landlord a fee of eighty pounds (£80) plus VAT.

17. SET-OFF

The Annual Rent and all other amounts due under this lease shall be paid by the Tenant or any guarantor (as the case may be) in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

18. ASSIGNMENTS

18.1 This Lease is personal to the Tenant, and the Tenant shall not assign underlet charge or part with the possession of the Property or any part thereof or share the Property with another or hold the Property on trust for any other person.

18.2 It is agreed and declared between the parties that the identity, financial standing and good character, and experience in the relevant licensed trade of the Tenant are of paramount importance to the Landlord in granting this Lease, and accordingly in any case where the Tenant is a limited company, the Tenant covenants to ensure that no change of control as defined below takes place in the company without the consent of the Landlord, which is not to be unreasonably withheld or delayed. In this clause:-

- (a) 'control' has the meaning attributed to it in section 1124 of the Corporation Tax Act 2010,
- (b) 'controller' means any person or combination of persons collectively having control of the Tenant at any time,
- (c) 'authorised controller' means any controller existing at the date of this Lease or his personal representatives, and
- (d) 'change in control' means any transaction, operation or process of law whereby any one or more authorised controller loses control or a controller or controllers comes into being after the date of this Lease.

Nothing in the above definitions is to imply that there may not be more than one controller at any time.

19. SHARING OCCUPATION

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement.

20. REPAIRS

Save those repairs to the exterior and structure of the Property that the Landlord covenants to undertake under clause 37.2.1 below the Tenant hereby covenants with the Landlord at the Tenant's own cost (except in case of damage by an Insured Risk unless the insurance is vitiated in whole or in part in consequence of any act or default on the part of the Tenant) as follows:

20.1 Generally

The Tenant covenants to keep the whole of the Property and all new buildings which may at any time during the said term be erected thereon and all additions made thereto and the Fixtures and Fittings therein and any replacement thereof in a clean and tidy state of repair and in good working order

20.2 Fixtures, Fittings and Monitoring Equipment

To keep the aforesaid Landlords Fixtures and Fittings clean and tidy and in good working order. The Tenant shall not tamper with or bypass any drink monitoring equipment or interfere with any drinks dispensing equipment installed by the Landlord.

20.3 Yield Up with Vacant Possession and in Repair

20.3.1 At the end or sooner determination of the said term the Tenant shall yield up the Property with vacant possession, decorated and repaired in accordance with and in the condition required by the provisions of this Lease, give up all keys of the Property to the Landlord, and if requested to do so by the Landlord, immediately making good any damage caused by their removal

20.3.2 leave at the Property any beer dispensing equipment, and

20.3.3 take all necessary steps to ensure that unless the Landlord consents the Landlord does not become responsible for the employment of any employee of the Tenant, or anything related to that employment, and indemnify the Landlord against all claims and liabilities arising from such employment.

20.4 **Drains etc.**

The Tenant covenants to keep the Property including all parts thereof to which the public have access or used in connection therewith and all drains lavatories and urinals therein or attached thereto together with sinks draining boards glasses and other utensils including beer engines and pipes and equipment used for the preparation and storage of food scrupulously clean and tidy and in good working order

20.5 **Utilities at Property**

To maintain the sewage surface water gas and electricity and water (and where so fitted) the whole of the central heating equipment cellar drainage pump and sewage pump and all power and lighting fittings in full working order and up to the standards required by the local water gas and electricity undertakings

20.6 **Gutters and down pipes**

The Tenant shall keep all water pipes sinks baths lavatories cisterns and waste and soil pipes and drains and gutters free from obstructions properly cleansed and in good working order and not to suffer dirt rubbish rags or refuse to be thrown therein and at least twice in every year to inspect all roofs gutters and downpipes and ensure that the same are kept free from leaves and any other obstructions

20.7 **Maintenance of sanitary fittings**

To replace any sanitary fittings and equipment which may become defective or damaged through whatever cause and to ensure that all lavatories and urinals are at all times kept and maintained in full working order and up to the standards required by the local authority and or the Licensing Authority

20.8 **Forecourt and garden**

The Tenant shall at all times to keep the forecourt garden yard draw in window boxes and any other part of the outside of the Property in a neat and tidy condition and free from weeds the hedges neatly and properly trimmed and all garden ground and land trees and shrubs properly manicured and cultivated and in good order for the purpose for which they are intended at his own cost and expense

20.9 **Lighting of Property**

Throughout the term of the tenancy the Tenant shall to replace and renew in good working order all external bulbs tubes and elements in external light fittings in and about the Property and to keep fully illuminated the exterior of the Property in hours of darkness during licensing hours

20.10 **Landline Telephone**

The Tenant shall ensure that the Property has a landline telephone number at all times. At the Landlord's written request, the Tenant shall, at their own cost and expense, assign any landline telephone number used by the Tenant in connection with the Property to the Landlord immediately upon determination of the Term (howsoever it determines).

20.11 **Website**

If the Tenant decides to build a website for the Business operated at the Property, upon determination of the lease the Tenant shall offer the website to the Landlord free at a price agreed between the parties. If no such price can be agreed the Tenant shall take down and close the website and the domain name as soon as reasonably practicable.

20.12 **Tenant's Insurance Obligations**

20.12.1 The Tenant must, at his own expense, effect and maintain insurance in the full cost of reinstating, or where appropriate replacing:

- (a) all plate glass at the Property,
- (b) the Tenant's decorations,
- (c) all the Tenant's stock,

- (d) all cash in any amusement machines or otherwise in or about the Property,
- (e) all the Tenant's fixtures and fittings, and
- (f) the trade inventory (if previously bought by the Tenant).

20.12.2 The items mentioned in clauses 20.12.1 (a) and 20.12.1(d) must be insured in the joint names of the Landlord and the Tenant.

20.12.3 The Tenant must:

- (a) promptly pay all premiums necessary in respect of the insurance required by this clause 20.12 within 7 days after it becomes due and payable, and
- (b) produce to the Landlord or the Landlord's agents on demand a copy of the policy of insurance and the last premium renewal receipt,

failing which the Landlord may take all necessary steps to effect the required insurance and the associated costs are to be a debt due from the Tenant to the Landlord on demand.

20.12.4 If the Tenant at any time fails to insure in accordance with this clause 20.12 the Landlord may do all things necessary to effect and maintain the insurance and the Tenant must reimburse any money expended by the Landlord for that purpose on demand.

20.13 The Tenant must also insure against product liability, public liability and employer's liability and such other risks as the Landlord shall require.

21. ALTERATIONS

21.1 The Tenant shall not pull down or in any way alter or add to the Property or any part of it and shall not make any opening in any boundary structure of the Property.

21.2 The Tenant shall not at any time move or alter in any way the boundary hedges walls fences or any of them.

- 21.3 The Tenant shall not at any time without the previous consent in writing of the Landlord place or allow to be placed or remain on any part of the garden or forecourt or in or upon any other part of the Property any caravan or any kiosk hut or shed or any other type of temporary or permanent structure or building of any kind.
- 21.4 The Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord.
- 21.5 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord.
- 21.6 The Tenant shall not carry out any alteration to the Property which would, or may reasonably be expected to, have an adverse effect on the asset rating in any Energy Performance Certificate commissioned in respect of the Property.

22. SIGNS

- 22.1 In this clause **Signs** include signs, fascia, placards, boards, posters and advertisements.
- 22.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the without the prior written consent of the Landlord.
- 22.3 Before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal.
- 22.4 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires.

23. RETURNING THE PROPERTY TO THE LANDLORD

- 23.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.
- 23.2 If required by the Landlord, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.

- 23.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to it.
- 23.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal. If, having made reasonable efforts to do so, the Landlord is unable to locate the Tenant, then the Landlord may retain the proceeds of sale absolutely unless the Tenant claims them within three months of the date upon which he vacated the Property.
- 23.5 If the Tenant does not comply with its obligations in this clause, then, without prejudice to any other right or remedy of the Landlord, the Tenant shall pay the Landlord an amount equal to the Annual Rent at the rate reserved immediately before the end of the term for the period that it would reasonably take to put the Property into the condition it would have been in had the Tenant performed its obligations under this clause. The amount shall be a debt due on demand from the Tenant to the Landlord.

24. USE

- 24.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.
- 24.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, its other tenants or any other owner or occupier of neighbouring property.
- 24.3 The Tenant shall not without the previous written consent of the Landlord hold or permit to be held any auction sale upon the Property
- 24.4 The Tenant shall not at any time during the tenancy without the previous consent in writing of the Landlord keep sell or supply or permit or suffer to be kept sold or supplied anything whatsoever on or from any part of the garden or forecourt or any other part of the Property which the Landlord in their sole discretion determine shall be inappropriate
- 24.5 The Tenant shall not advertise goods supplied by other undertakings within or outside the Property except in proportion to the share of those goods in the total turnover realised in the Property

- 24.6 The Tenant shall not permit any savings slate share out or similar club or society to be established or carried on upon or in connection with the Property
- 24.7 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property.
- 24.8 The Tenant will display such information relating to products sold at the Property as is notified to him by the Landlord and will exhibit on the Property such advertisements and notices as may accord with the provisions of Article 7(1)(c) of Regulation 1984/83 issued by the European Economic Commission and as may be supplied by the Landlord for the purpose
- 24.9 The Tenant will not brew or manufacture nor permit nor suffer to be brewed or manufactured upon or about the Property any intoxicating liquors mineral waters squashes or cordials
- 24.10 The Tenant hereby agrees with the Landlord not to use or occupy the Property or any part thereof or create any interest in the Property for agriculture or agricultural purposes within the meaning of the Agricultural Tenancies Act 1995 or any statutory modification or re enactment thereof for the time being in force

25. CONDUCT OF THE BUSINESS

25.1 Courtesy

- (a) The Tenant at his own cost and expense hereby agrees both for himself and his employees to conduct the Business in a courteous and efficient manner
- (b) The Tenant must conduct the Business in an efficient, orderly and polite manner, in compliance with all relevant legal obligations and in accordance with government guidelines and industry codes of practice, and in such a way as to promote and develop the Business and to protect the Premises Licence
- (c) The Tenant must promote the concept of responsible drinking and support any national or local initiatives aimed at achieving this and the Tenant must comply with any of the Landlord's recommendations in this respect
- (d) The Tenant must ensure that they and their staff are at all times sufficiently trained to run the Business effectively and perform their duties

25.2 **Trading Obligations**

The Tenant must:

- (a) not change the name of the Property without the Landlord's prior written consent,
- (b) store goods in accordance with the manufacturer's recommendations,
- (c) not use any recycled beer or overspill or residue from beer sold to the public,
- (d) not damage any beer dispensing equipment,
- (e) comply with routine cleaning and maintenance requirements for beer dispensing equipment,
- (f) display notices and advertisements, including price lists, as reasonably required by the Landlord or as required by law

25.3 **Opening Hours**

The Tenant at his own cost and expense hereby agrees at all times to keep the Property open during any reasonable hours and days that the Landlord specifies for the sale of liquor in the Property and so as to maintain on foot the liquor and other licences applying to the Property

25.4 **Accounting**

- (a) The Tenant must supply to the Landlord on demand:-
 - (i) a copy of their trading accounts;
 - (ii) reasonable evidence of turnover; and
 - (iii) stock purchase information and sales records
- (b) The Tenant must provide the Landlord with a copy of each quarterly VAT return for the Business within one month of the date of submission required by HM Revenue & Customs.
- (c) The Tenant must appoint and use a reputable accounting firm to provide regular business advice and book keeping services.

25.5 **Food and non-alcoholic beverages**

The Tenant at his own cost and expense hereby agrees to supply whenever reasonably required by the public suitable refreshment other than intoxicating liquor and keep the Property open for the sale of food and non-alcoholic beverages at all reasonable times (if any) at which there may in the opinion of the Landlord be a sufficient demand therefor

25.6 **Statutory and other Regulations**

25.6.1 The Tenant shall comply with any reasonable regulations which may be made by the Landlord from time to time for the better conduct of the premises owned by them

25.6.2 The Tenant covenants with the Landlord that he will at all times comply with all the following statutory obligations only relating to the conduct of the Business at the Property:

- (a) all matters relating to fire asbestos and electrical regulations requirements and legislation
- (b) the responsibilities of the Landlord under The Gas Safety (Installation and Use) regulations 1998 with which the Tenant shall comply on the Landlords behalf

25.6.3 The Tenant covenants with the Landlord that he will at all times comply with the following statutory obligations requirements regulations and legislation relating to the conduct of the Business at the Property:

- (a) all matters relating to health hygiene employment and discrimination
- (b) all matters relating to the maximum number of persons who are permitted at any one time to live at or sleep at the Property and the conditions which relate to such persons

25.6.4 The Tenant acknowledges to the Landlord his responsibility to comply with the covenant contained in clause 25.6.3 hereof and that he does not place any reliance on the Landlord to inform him of the nature extent or terms of any such statutory and other regulations

25.6.5 The Tenant indemnifies the Landlord against all or any failure by the Tenant to comply with all such statutory and other regulations set out in 25.6.3 and any claim for damages costs or other financial penalty arising out of any such failure to comply

25.6.6 The Tenant agrees that he will at all times keep on the Property a box 'the Statutory Compliance Box' containing the relevant material regarding compliance with the matters referred to in clause 25.6.2-25.6.3 hereof

25.7 **Beer Service Plant and Cellarage**

The Tenant hereby agrees to operate the beer service plant in accordance with the instructions of the Landlord and to instal and maintain at the cost of the Tenant temperature control equipment (which is capable of maintaining the cellar at the Property at a temperature of 55 degrees Fahrenheit at all times) and to use such temperature control equipment to maintain the cellar at the Property at a temperature of 55 degrees Fahrenheit at all times

25.8 **'Cask Marque'**

The Tenant hereby agrees to subscribe to the Nationwide Beer Accreditation Scheme called 'Cask Marque' adopted by the Landlord in relation to their estate or any replacement scheme which is adopted in its place from time to time and to observe fully all requirements of such scheme in all respects and to comply with all instructions received from the Landlord given to the Tenant from time to time in relation to such scheme. The Landlord will be responsible for the cost of subscription and associated costs payable annually

25.9 **Tenant to reside at the Property**

- (a) The Tenant shall reside in the Property personally and shall carry on the Business herein mentioned personally and shall not employ on the Property any person to whom the Landlord (with or without reasons) objects
- (b) Without prejudice to the above the Tenant (where appropriate) may with the prior written approval of the Landlord (not to be unreasonably withheld or delayed) allow one of their staff members together with such person's immediate family to occupy any ancillary living accommodation at the Property for residential purposes only on the basis of a service occupancy and without creating any security of tenure which such person together with his family shall immediately vacate the Property on or before the expiry of the term.
- (c) The Tenant agrees with the Landlord to comply with all reasonable regulations made by the Landlord from time to time and notified to the Tenant in writing in respect of any residential accommodation at the Property

26. **SECURITY**

The Tenant hereby agrees with the Landlord to renew replace and keep in good and proper working order all keys locks and latches and similar fastenings in and about the Property and to be responsible for arranging the security (at least to the requirements specified from time to time by the Landlord and/or their insurers) of the Tenant's consumable stock and Fixtures and Fittings and to keep the same insured to its full replacement value from time to time

27. **EMPLOYEES**

- 27.1 The Tenant is responsible for the employment of any staff at the Property and for all wages, PAYE, national insurance contributions, pension payments, bonuses, costs, expenses and other payments for their staff

- 27.2 The Tenant must comply with all statutory requirements and codes of conduct in relation to their staff
- 27.3 The Tenant shall indemnify the Landlord against any costs claims expenses demands whatsoever in relation to the Tenant's staff (both during and after the expiry of the term) due to the Tenant's failure to comply with their obligations to the staff
- 27.4 The Tenant shall, if asked to do so, provide the Landlord with a copy of all employment contracts that the Tenant has issued to their employees.

28. LICENCES

- 28.1 The Landlord shall obtain and maintain in their name throughout the Contractual Term a Premises Licence in relation to the Property, and supply the Tenant with a certified copy of the Premises Licence for retention at the Property and a certified copy of the summary of the Premises Licence which the Tenant shall display prominently in the Property.
- 28.2 The Landlord shall supply the Tenant with a notice under Section 57 of the Licensing Act 2003 authorising the Tenant to safeguard the certified copies and the Tenant shall display this prominently in the Property.
- 28.3 The Tenant shall at their own cost and expense obtain and keep any other Licences required to enable the Business to be lawfully conducted from the Property.
- 28.4 The Tenant must at all times comply (and ensure that their staff comply) with the conditions to all Licences and provisions of the Licensing Act 2003.
- 28.5 The Tenant must not do anything or permit anything to be done which may put any of the Licences in jeopardy and must inform the Landlord immediately in writing if at any time any of the Licences are in jeopardy, are suspended or revoked.
- 28.6 The Tenant must ensure that any Licensable Activity at the Property is only carried out or authorised by the holder of a Personal Licence.
- 28.7 The Tenant must hold a Personal Licence at all times and be named as the Designated Premises Supervisor on the Premises Licence, unless they are a company or have obtained the Landlord's prior written consent in which case the manager of the Property should be named as Designated Premises Supervisor and clause 28.8 below shall apply.

- 28.8 If the Designated Premises Supervisor (or any replacement) is someone other than the Tenant, the Tenant must:
- (a) provide the Landlord with their name, address, and any convictions for relevant offences (as defined in the Licensing Act 2003);
 - (b) ensure that he holds a Personal Licence and is suitably experienced and trained to supervise the Business and that he performs his duties required under the Licensing Act 2003;
 - (c) obtain the Landlord's prior written approval;
 - (d) immediately upon his appointment provide the Landlord with all necessary information and assistance to note his details on the Premises Licence; and
 - (e) if the Designated Premises Supervisor leaves the Business or has his Personal Licence revoked or suspended immediately notify the Landlord in writing and take all necessary steps to assist the Landlord to protect the Premises Licence and replace the Designated Premises Supervisor immediately.
- 28.9 If required to do so by the Landlord, the Tenant shall join in any proceedings in relation to the protection of any Licences required for the Property.
- 28.10 The Tenant must inform the Landlord immediately if they become aware of any notice or complaint from the police, the Licensing Authority, a Responsible Authority or any third party including a local resident or local business which may adversely affect the Property, the Business or the Licences. The Tenant must take all reasonable steps that the Landlord asks to rectify the problem, including attending any meeting with the police the Licensing Authority or any other Responsible Authority or any third party either at the Property or at another venue and the Tenant must carry out any reasonable requests made by any of those parties or made by the Landlord in order to safeguard the Licences.
- 28.11 The Tenant must keep the Property open for business at all times specified in the operating schedule of the Premises Licence unless otherwise agreed with the Landlord
- 28.12 The Tenant shall indemnify the Landlord and keep him indemnified in respect of any loss, damage or expense suffered by the Landlord as a result of:
- (a) the commission of any offence under the Licensing Act 2003,
 - (b) any failure to comply with the conditions to which the premises licence is subject, or

- (c) any steps taken on determination of any application for a review of the Premises Licence as a consequence of any act or omission by the Tenant or the Designated Premises Supervisor.

29. AMUSEMENT MACHINES

- 29.1 The Tenant must not install any amusement machine in the Property without the previous written consent of the Landlord.
- 29.2 The Tenant must not allow any amusement machine to which the Landlord has not consented in writing ('any unauthorised machine') to be in or on the Property, and must remove any unauthorised machine on demand, failing which the Landlord may remove it and the associated costs may be recovered from the Tenant as a debt.
- 29.3 The Tenant must not provide gaming machines on the Premises without the prior written consent of the Landlord, and provided always that the machines are authorised by a licensed premises gaming machine permit or an exemption under the Gambling Act 2005
- 29.4 The Tenant must not by any act or omission place any such permit or exemption at risk.

30. TRADE INVENTORY

- 30.1 Until purchased by the Tenant the trade inventory shall remain the property of the Landlord but the Tenant will be entitled to use it for all reasonable purposes connected with the running of the Business of licensed victualler from the Property and the Tenant shall keep and maintain the trade inventory in good repair and condition at all times.
- 30.2 The Tenant shall not replace any items comprising the trade inventory without the Landlord's prior written consent. Any items which are replaced shall belong to the Landlord at the expiry or earlier determination of the term.
- 30.3 At any time during the term the Tenant may offer to buy the trade inventory from the Landlord upon written notice. Upon receipt of the written notice the Landlord shall undertake a valuation of the trade inventory, and if a value is agreed between the parties the Tenant may purchase the trade inventory from the Landlord. Upon receipt by the Landlord of the agreed sum in cleared funds, title to the inventory shall pass to the Tenant.

- 30.4 During this Lease the Tenant will not mortgage charge create a lien or sell or dispose of any of the chattels included in and comprising the inventory (the copy retained by the Landlord being at all times in the event of any inconsistency between it any other copy being deemed to be the master copy) without first offering to sell the same to the Landlord at a valuation to be made as is hereinafter set out provided that the Landlord shall not be obliged to purchase the same
- 30.6.1 At any time during the term of this Lease the Landlord shall have the option (but shall be under no obligation) which option shall be exercisable by notice in writing given to the Tenant to take and pay for at a valuation as hereinafter provided all or any part of the Tenant's chattels, all or any part of the Tenant's stock of exercisable liquors, other trade goods and the inventory. If the Landlord shall exercise the aforesaid option, the Tenant shall sell to the Landlord the Tenant's chattels, all or any part of the Tenant's stock of exercisable liquors, other trade goods and the inventory as specified by the Landlord in their exercise of the aforesaid option and shall preserve them from damage and leave the same in their usual places upon the Property
- 30.6.2 The Tenant shall comply with all reasonable requirements of the Landlord to remove or otherwise dispose of all such Tenant's chattels, all or any part of the Tenant's stock of exercisable liquors, other trade goods and the inventory from the Property as shall not be subject to the exercise by the Landlord of the aforesaid option.
- 30.6.3 The price payable to the Landlord for anything in the exercise of the rights by this clause 30.6 given to them shall be ascertained by valuation to be made in the usual way by two valuers one to be appointed by each party or by their umpire in the event of their not agreeing or on failure of the Tenant to appoint a valuer within 72 hours after notice in writing so to do then by the valuer appointed by the Landlord
- 30.7 The Tenant hereby irrevocably appoints the Landlord the attorney of the Tenant for him in his name and on his behalf to recover receive or give a valid discharge for any sum of money which shall become payable to the Tenant in respect of anything which shall pursuant to clause 30.6.1 or 30.6.2 hereof have respectively been offered to the Landlord or been subject to option (whether the said option shall or shall not have been exercised) and the Landlord as such attorneys shall have the following rights and duties namely:
- (a) To delegate the powers conferred on this by this sub clause to any Director or Officer of the Landlord
 - (b) to appropriate set off and retain any sums received by them as aforesaid as well as any monies payable by them to the Tenant in and towards satisfaction of any sums of money which may then be

due or owing from the Tenant for rent for goods supplied or on any account whatever and

- (c) To pay to the Tenant the balance of any sums held by them after completion of such appropriation set off and retention as aforesaid and making the usual apportionment of current outgoings

31. TERMS OF TRADING

31.1 In this clause the following words shall have the following meanings:

- (a) "Beers" means beers of the types set out in Part 1 of Schedule 2 to this Lease
- (b) "Non-Beer Drinks" means drinks of the types set out in Part II of Schedule 2 to this Lease
- (c) "Landlords' Current Price List" means the price list for the time being of the Landlord and (where applicable) their nominees for the drinks which they offer to supply to purchase at the Tenant's level of distribution

31.2 The Tenant shall purchase from the Landlord or their nominees and from no other person or firm all such Beers and Non Beer Drinks as the Tenant shall require for sale in the Property or for the purpose of complying with the Tenants obligations under this Clause

31.3 The Landlord shall during the said tenancy to the best of their ability supply the Tenant with or procure the supply to the Tenant by their nominees at the prices shown in the Landlords Current Price List of such quantities of Beers and Non Beer Drinks as he may reasonably require and be ready and able to pay for and if the Landlord or their nominees at any time fail to supply any such drink for a period which in all the circumstances is excessive the Landlord shall on the application of the Tenant release the Tenant from any of his obligations clause 31.2 to the extent and for so long as is necessary having regard to such failure to supply

31.4 The Tenant will make payment to the Landlord of the balance of all monies owing to the Landlord under this clause against invoices or statements provided by the Landlord to the Tenant for this purpose by direct debit (or any other method that the Landlord requests in writing) to the account of the Landlord

31.5 The Tenant shall pay the Landlord on 15th and 28th of each month in arrears although the Landlord may by written notice to the Tenant vary payment days or vary the frequency of payments required.

- 31.6 If payments due are not made in accordance with this clause the Landlord by written notice require the Tenant to make payment for all goods supplied in cash before delivery
- 31.7 The legal and beneficial title to the goods shall not pass to the Tenant until the Landlord has received payment in full (in cash or cleared funds) for all goods supplied to the Tenant.
- 31.8 Until both legal and beneficial title to the goods has passed to the Tenant, the Tenant shall:-
- (a) hold all goods on a fiduciary basis as the Landlord's bailee;
 - (b) store the goods separately from all other goods held by the Tenant so that they remain readily identifiable as the Landlord's property;
 - (c) not remove, deface or obscure any identifying mark or packaging on or relating to the goods;
 - (d) maintain the goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery
 - (e) notify the Landlord immediately if it becomes subject to any events listed in clause 39.1(c)-(f); and
 - (f) give the Landlord such information relating to the goods as the Landlord may require from time to time, but the Tenant may sell or use the goods in the ordinary course of its business
- 31.9 The Tenant at his own cost and expense hereby agrees to permit the Landlord or their agents at all reasonable times to enter the Property and to inspect the stock of liquor mineral water or food and to take samples of such stock on payment of the prices at which the Tenant paid for the bulk from which such samples are taken and to examine the casks and other vessels in the Property and to take account thereof and to inspect the stock records and make all necessary tests and to leave the said records on the Property when vacating them
- 31.10 The Tenant shall accept delivery of all stock to be delivered to the Tenant under this Lease between the hours of 7 a.m. and 7 p.m. Mondays to Saturdays inclusive and to make reasonable facilities for the delivery of stock available to the Landlord or its nominees
- 31.11 The Tenant covenants with the Landlord to ensure that at all times and in particular when delivery of stock as set out in 31.10 above takes place the Property will be so maintained that all arrangements and facilities for deliveries of stock are safe and comply with the Manual Handling Regulations for the delivery of stock

- 31.12 The Tenant shall not sell or expose for sale in the Property or bring on to the Property for the purpose of sale therein Beers or Non Beer Drinks which are not supplied by the Landlord or their nominees
- 31.13 The Tenant shall at all times stock and expose for sale within the Property and use his best endeavours to sell such Beer Drinks and Non Beer Drinks supplied by the Landlord or their nominees as are notified to the Tenant by the Landlord from time to time
- 31.14 It is hereby agreed that at any time during the continuance of this Lease the Landlord may in writing vary alter or otherwise change the Beers and Non Beer Drinks as are set out hereafter

32. COMPLIANCE WITH LAWS

- 32.1 The Tenant shall comply with all laws relating to:
- (a) the Property and the occupation and use of the Property by the Tenant;
 - (b) the use or operation of all Service Media and machinery and equipment at or serving the Property whether or not used or operated, and shall, where necessary, replace or convert such Service Media within or exclusively serving the Property so that it is capable of lawful use or operation;
 - (c) any works carried out at the Property; and
 - (d) all materials kept at or disposed from the Property.
- 32.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.
- 32.3 Within five working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:
- (a) send a copy of the relevant document to the Landlord; and
 - (b) take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.
- 32.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent.

- 32.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term.
- 32.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 32.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 32.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.
- 32.9 The Tenant will not do or suffer to be done on the Property or elsewhere nor omit or suffer to be omitted any act whereby the Tenant shall render himself liable to conviction or otherwise of an offence relating to the Property or the use thereof or the carrying on therein of the business of a licensed victualler
- 32.10 The Tenant will indemnify the Landlord in respect of any claims made against them of any nature and in respect of any liability howsoever arising towards third parties and arising out of the Tenant's occupation of the Property and the carrying out of a business thereat including without prejudice to generality any liability of the Landlord (howsoever arising and without any duty on the part of the Landlord to mitigate such liability) to an employee of the Tenant whose employment may be deemed to transfer to the Landlord pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (and any other or subsequent laws, legislation or regulations) and whether such transfer occurs during the Term or upon the expiry of the Term.
- 32.11 The Tenant will fulfil and perform any existing undertakings given to the Licensing Authority in respect of the Property so far as the same are applicable to the Tenant and observe any lawful regulations as to the conduct

of licensed premises from time to time made by the Licensing Authority for the district in which the Property are situate

- 32.12 The Tenant shall be the Designated Premises Supervisor as defined by the Licensing Act 2003 (as amended), or any other person with the prior written consent of the Landlord.
- 32.13 The Tenant will at all times conduct the house in such orderly manner that the necessary Premises licence may not be refused imperilled or any limitation revocation variation restriction or condition imposed thereon and will not do or suffer nor omit or suffer to be omitted any act contrary to the provisions of Licensing Act 2003 (as amended) or contrary to the provisions of any Act for the time being in force whereby any Licence in respect of the Property may be forfeited or become void or whereby renewal thereof may be withheld or endangered
- 32.14 The Tenant will not give any undertaking relating to the Property or the licence thereof without the written consent of the Landlord first obtained and if asked to give any such undertaking the Tenant will give immediate notice of such request to the Landlord by registered post

33. ENERGY PERFORMANCE CERTIFICATES

- 33.1 The Tenant shall:
- (a) cooperate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate and Recommendation Report for the Property including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining an Energy Performance Certificate; and
 - (b) allow such access to any Energy Assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing an Energy Performance Certificate and/or Recommendation Report for the Property.
- 33.2 The Tenant shall not commission an Energy Performance Certificate for the Property without the Landlord's consent such consent not to be unreasonably withheld.

34. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS

- 34.1 The Tenant shall not grant any right or licence over the Property to a third party.

- 34.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:
- (a) immediately inform the Landlord and shall give the Landlord notice of that encroachment or action; and
 - (b) take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.
- 34.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property.
- 34.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party.
- 34.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property, the Tenant shall:
- (a) immediately inform the Landlord and shall give the Landlord notice of that action; and
 - (b) take all steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction.

35. BREACH OF REPAIR AND MAINTENANCE OBLIGATIONS

- 35.1 The Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.
- 35.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.
- 35.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.
- 35.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 39.

36. INDEMNITY

The Tenant shall keep the Landlord indemnified against all liabilities, expenses, costs (including but not limited to any solicitors' or other professionals' costs and expenses), claims, damages and losses (including but not limited to any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) suffered or incurred by the Landlord arising out of or in connection with any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them.

37. LANDLORD'S COVENANTS

37.1 The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.

37.2 Landlord's Repairing Obligations

37.2.1 The Landlord covenants with the Tenant that the Landlord will throughout the term of this Lease:

- (a) keep the foundations structural load bearing walls and roof structure (including the roof covering slates and tiles) of the Property in good and substantial repair and condition
- (b) maintain the external decoration and livery of the Property in accordance with their standard estates management policy from time-to-time (but excluding boundary walls and fences and all outbuildings unless previously decorated in a manner or style so as to be in keeping with the main building of the Property)
- (c) erect and maintain suitable signage for the Business on the exterior of the Property

37.2.2 Subject to the payment by the Tenant of the Compliance Charge, the Landlord shall use all reasonable endeavours to provide the following services:

- (a) enter in to an annual service agreement with the Landlord's nominated contractor for the service and maintenance of all gas or oil fired central heating boilers and systems to comply with any fire regulations and statutes and any requirements or recommendations of the insurers of the Property

- (b) have swept and certified annually all functioning chimneys and flues for the compliance of any fire regulations and statutes and to comply with any requirements or recommendations of the insurers of the Property
- (c) commission appropriate qualified contractors to obtain Gas Safe Certificates and electrical test certificates in respect of the Property
- (d) have cleaned, serviced and certified annually all kitchen fume extraction systems for the compliance of any fire regulations and statutes and to comply with any requirements or recommendations of the insurers of the Property
- (e) enter in to an annual maintenance contract on all fire extinguishers and fire alarm systems and comply with any requirements or recommendations of the insurers of the Property. The Tenant shall ensure that all staff are correctly trained in the use of the equipment in compliance of any fire regulations and statutes
- (f) commission a fire risk assessment and undertake any works identified in the assessment
- (g) commission and asbestos survey and manage any asbestos identified in the survey in accordance with the legal requirements and any recommendations contained in the survey
- (h) enter in to an annual service and maintenance contract in respect of the cellar cooling equipment
- (i) provide any other service or amenity that the Landlord may in its absolute discretion provide acting in accordance with the principles of good estate management for the benefit of the Tenant

37.2.3 The Landlord shall not be liable for any interruption in, or disruption to, the provision of any of the aforementioned services in Clause 37.2.2 for any reason that is outside the reasonable control of the Landlord; or any injury, loss or damage suffered by the Tenant as a result of any absence or insufficiency of any of the services or of any breakdown or defect in any Service Media, except where due to the negligence of the Landlord.

38. GUARANTEE AND INDEMNITY

38.1 The provisions of the Schedule apply.

38.2 If an Act of Insolvency occurs in relation to a guarantor, or if any guarantor (being an individual) dies or becomes incapable of managing his affairs the Tenant shall, if the Landlord requests, procure that a person of standing acceptable to the Landlord, within 21 days of that request, enters into a replacement or additional guarantee and indemnity of the tenant covenants of this lease in the same form as that entered into by the former guarantor.

38.3 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

39. RE-ENTRY AND FORFEITURE

39.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

- (a) any rent is unpaid 7 days after becoming payable whether it has been formally demanded or not;
- (b) any breach of any condition of, or tenant covenant in, this lease;
- (c) an Act of Insolvency;
- (d) all or any necessary licences are revoked or forfeited or not renewed
- (e) the death of the Tenant
- (f) there is no current Premises Licence or the Tenant fails to perform or observe any condition or requirement of any of the Premises Licence so that it may be liable to forfeiture or revocation

39.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor.

39.3 The Landlord shall in addition and without prejudice to any other remedy or remedies available to the Landlord be entitled to apply to the Court for the appointment of a Receiver and Manager before any notice has been given to the Tenant under the provision of Section 146 of the Law of Property Act 1925 or such right of entry or forfeiture is exercised

39.4 All costs charges and expenses occasioned by the exercise of the power of the Landlord to distrain upon the Property shall be paid by the Tenant on demand but the right shall not extend to and include any tenant's fixtures or fittings not otherwise by law distrainable which may from time to time be thereon and shall be without prejudice to all other rights and remedies available

39.5 Immediately upon the service of a Notice to Treat whether actual or deemed in respect of the Property with a view to the compulsory acquisition of the interest of the Landlord therein the Tenant will continue to trade in and upon the Property only with the consent of the Landlord and will on receipt of a notice in writing to that effect cease to trade at such time as the Landlord shall in their absolute discretion think fit and on the Tenant so ceasing to trade this Lease

shall forthwith determine and upon such determination as aforesaid the Tenant will if required by the Landlord take at their expense such steps and perform such acts as the Landlord shall direct for the purpose of obtaining a Certificate under Section 141 of the Licensing Act 1964 and thereafter of transferring the Licence to the Landlord or their nominee or nominees

- 39.6 The occupation of the Tenant of the Property and this Lease and demise shall determine if the Licensing Authority shall not renew the Property Licence or only renew the same on conditions which the Landlord properly regards as being unduly onerous

40. BREAK CLAUSE

- 40.1 The Tenant may terminate this Lease at any time by giving to the Landlord not less than six (6) months prior notice in writing ("Break Notice").

- 40.2 A Break Notice served by the Tenant shall be of no effect if, at the expiry of the notice period:

- (a) the Tenant has not paid any part of the Annual Rent or any other sum due under this lease, or any VAT in respect of them, which was due to have been paid; and
- (b) vacant possession of the whole of the Property is not given

- 40.3 Subject to clause 40.2, on expiry of such notice:

- (a) this Lease shall come to an end, but without prejudice to the rights of either party against the other for any antecedental breach of covenant,
- (b) the Tenant shall give vacant possession of the whole of the Property, and
- (c) the Tenant shall cancel any notice, caution or land charge registered to protect this Lease and shall, if the title to this Lease is registered at Land Registry, assist the Landlord in cancelling such title.

41. JOINT AND SEVERAL LIABILITY

- 41.1 Where the Tenant comprises more than one person, those persons shall be jointly and severally liable for the obligations and liabilities of the Tenant arising under this lease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons without affecting the liability of any other of them.

- 41.2 Where a guarantor comprises more than one person, those persons shall be jointly and severally liable for the obligations and liabilities of a guarantor arising under this lease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons without affecting the liability of any other of them.
- 41.3 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.
- 41.4 The Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease, unless and until the Tenant has given the Landlord notice of the failure and the Landlord has not remedied the failure within a reasonable time of service of that notice.

42. ENTIRE AGREEMENT

- 42.1 This lease and any documents annexed to it constitute the whole agreement between the parties and supersedes all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to their subject matter.
- 42.2 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.
- 42.3 It is hereby agreed and declared that the parties hereto are not in any way bound by any code of practice or any future code promulgated by any society or trade organisation which might relate to the business carried on at the Property
- 42.4 If any provision of this Lease is invalid or is made invalid by subsequent legislation this shall not affect the validity of the remainder of the provisions of the Lease

43. NOTICES, CONSENTS AND APPROVALS

- 43.1 Except where this lease specifically states that a notice need not be in writing, any notice given under or in connection with this lease shall be in writing and for the purposes of this clause an email is not in writing; and given by hand or pre-paid first-class post or special delivery at the party's registered office address (if the party is a company) or (in any other case) at the party's address contained in this lease

- 43.2 If a notice complies with the criteria in clause 43.1, whether or not this lease requires that notice to be in writing, it shall be deemed to have been received:
- (a) if delivered by hand, at the time the notice is left at the proper address; or
 - (b) if sent by pre-paid first-class post or special delivery, on the second working day after posting;
- 43.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 43.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.
- 43.5 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:
- (a) it is given in writing and signed by the Landlord or a person duly authorised on its behalf; and
 - (b) it expressly states that the Landlord waives the requirement for a deed in that particular case.

If a waiver is given, it shall not affect the requirement for a deed for any other consent.

- 43.6 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:
- (a) the approval is being given in a case of emergency; or
 - (b) this lease expressly states that the approval need not be in writing.
- 43.7 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

44. EXECUTION OF DOCUMENTS

The Tenant shall within 14 days of receipt thereof from the Landlord execute such deeds or documents as the Landlord may reasonably require from time to time to give effect to any amendment or variation of the provisions of this Lease which may be necessary at any time to bring this Lease within the

exemption granted by E.E.C. Regulation 1984/83 as interpreted by the European Communities Commission and/or the European Court of Justice

45. GOVERNING LAW

This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

46. JURISDICTION

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

47. EXCLUSION OF SECTIONS 24-28 OF THE LTA 1954

47.1 The parties confirm that:

- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, before this lease was entered into a certified copy of which notice is annexed to this lease;
- (b) **[the Tenant OR [NAME OF DECLARANT]** who was duly authorised by the Tenant to do so made a statutory declaration in accordance with the requirements of section 38A(3)(b) of the LTA 1954 a certified copy of which statutory declaration is annexed to this lease; and
- (c) there is no agreement for lease to which this lease gives effect.

47.2 The parties agree that the provisions of sections 24 to 28 of the LTA 1954 are excluded in relation to the tenancy created by this lease.

47.3 **[The parties confirm that:**

- (a) **the Landlord served a notice on the Guarantor, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be entered into by the Guarantor pursuant to paragraph 4 of the Schedule, before this lease was entered into (a certified copy of which notice is annexed to this lease); and**
- (b) **[the Guarantor OR [NAME OF DECLARANT], who was duly authorised by the Guarantor to do so, made a statutory declaration in accordance with the requirements of section**

38A(3)(b) of the LTA 1954 (a certified copy of which statutory declaration is annexed to this lease).]

48. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this lease shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this lease.

49. CODE OF PRACTICE

The Code of Practice will apply to this Tenancy and the parties agree to perform their respective obligations in the Code of Practice.

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

Schedule 1 Guarantee and indemnity

1. GUARANTEE AND INDEMNITY

- 1.1 The Guarantor guarantees to the Landlord that the Tenant shall pay the rents reserved by this lease and observe and perform the tenant covenants of this lease and that if the Tenant fails to pay any of those rents or to observe or perform any of those tenant covenants, the Guarantor shall pay or observe and perform them.
- 1.2 The Guarantor covenants with the Landlord as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under paragraph 1.1 to indemnify and keep indemnified the Landlord against any failure by the Tenant to pay any of the rents reserved by this lease or any failure to observe or perform any of the tenant covenants of this lease

2. GUARANTOR'S LIABILITY

- 2.1 The liability of the Guarantor under paragraph 1.2 and 1.2 shall continue until the end of the term, or until the Tenant is released from the tenant covenants of this lease by virtue of the Landlord and Tenant (Covenants) Act 1995, if earlier.
- 2.2 The liability of the Guarantor shall not be reduced, discharged or otherwise adversely affected by:
- (a) any time or indulgence granted by the Landlord to the Tenant; or
 - (b) any delay or forbearance by the Landlord in enforcing the payment of any of the rents or the observance or performance of any of the tenant covenants of this lease or in making any demand in respect of any of them; or
 - (c) any refusal by the Landlord to accept any rent or other payment due under this lease where the Landlord believes that the acceptance of such rent or payment may prejudice its ability to re-enter the Property; or
 - (d) the Landlord exercising any right or remedy against the Tenant for any failure to pay the rents reserved by this lease or to observe or perform the tenant covenants of this lease; or
 - (e) the Landlord taking any action or refraining from taking any action in connection with any other security held by the Landlord in respect of the Tenant's liability to pay the rents reserved by this lease or

observe and perform the tenant covenants of the lease including the release of any such security; or

- (f) a release or compromise of the liability of any one of the persons who is the Guarantor, or the grant of any time or concession to any one of them; or
- (g) any legal limitation or disability on the Tenant or any invalidity or irregularity of any of the tenant covenants of the lease or any unenforceability of any of them against the Tenant; or
- (h) the Tenant being dissolved, or being struck off the register of companies or otherwise ceasing to exist, or, if the Tenant is an individual, by the Tenant dying or becoming incapable of managing its affairs; or
- (i) without prejudice to paragraph 4, the disclaimer of the Tenant's liability under this lease or the forfeiture of this lease; or
- (j) the surrender of the lease in respect of part only of the Property, except that the Guarantor shall not be under any liability in relation to the surrendered part in respect of any period after the surrender; or

by any other act or omission except an express written release by deed of the Guarantor by the Landlord.

2.3 The liability of each of the persons making up the Guarantor is joint and several.

2.4 Any sum payable by the Guarantor shall be paid without any deduction, set-off or counter-claim against the Landlord or the Tenant.

3. VARIATIONS AND SUPPLEMENTAL DOCUMENTS

3.1 The Guarantor shall, at the request of the Landlord, join in and give its consent to the terms of any consent, approval, variation or other document that may be entered into by the Tenant in connection with this lease.

3.2 The Guarantor shall not be released by any variation of the rents reserved by, or the tenant covenants in, this Lease whether or not:

- (a) the variation is material or prejudicial to the Guarantor; or
- (b) the variation is made in any document; or
- (c) the Guarantor has consented, in writing or otherwise, to the variation.

3.3 The liability of the Guarantor shall apply to the rents reserved by and the tenant covenants in this lease as varied except to the extent that the liability

of the Guarantor is affected by section 18 of the Landlord and Tenant (Covenants) Act 1995.

4. GUARANTOR TO TAKE A NEW LEASE OR MAKE PAYMENT

- 4.1 If this lease is forfeited or the liability of the Tenant under this lease is disclaimed and the Landlord gives the Guarantor notice not later than six months after the forfeiture or the Landlord having received notice of the disclaimer, the Guarantor shall enter into a new lease of the Property on the terms set out in paragraph 4.2.
- 4.2 The rights and obligations under the new lease shall take effect beginning on the date of the forfeiture or disclaimer and the new lease shall:
- (a) be granted subject to the right of any person to have this lease vested in them by the court and to the terms on which any such order may be made and subject to the rights of any third party existing at the date of the grant;
 - (b) be for a term that expires at the same date as the end of the Contractual Term of this lease had there been no forfeiture or disclaimer;
 - (c) reserve as an initial annual rent an amount equal to the Annual Rent payable under this lease at the date of the forfeiture or disclaimer or which would be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it (subject to paragraph 5) and which is subject to review on the same terms and dates provided by this lease; and
 - (d) be excluded from sections 24 to 28 of the LTA 1954; and
 - (e) otherwise be on the same terms as this lease (as varied if there has been any variation).
- 4.3 The Guarantor shall pay the Landlord's solicitors' costs and disbursements (on a full indemnity basis) and any VAT in respect of them in relation to the new lease and shall execute and deliver to the Landlord a counterpart of the new lease within one month after service of the Landlord's notice.
- 4.4 The grant of a new lease and its acceptance by the Guarantor shall be without prejudice to any other rights which the Landlord may have against the Guarantor or against any other person or in respect of any other security that the Landlord may have in connection with this lease.
- 4.5 The Landlord may, instead of giving the Guarantor notice pursuant to paragraph 4.1 but in the same circumstances and within the same time limit,

require the Guarantor to pay an amount equal to six months Annual Rent and the Guarantor shall pay that amount on demand.

5. RENT AT THE DATE OF FORFEITURE OR DISCLAIMER

If at the date of the forfeiture or disclaimer there is a rent review pending under this lease, then the initial annual rent to be reserved by the new lease shall be the greater of:

- (a) the Annual Rent previously payable (or which would have been payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) under the lease prior to forfeiture or disclaimer; and
- (b) the open market rent of the Property at the relevant Review Date, as determined by the Landlord before the grant of the new lease.

6. PAYMENTS IN GROSS AND RESTRICTIONS ON THE GUARANTOR

6.1 Any payment or dividend that the Landlord receives from the Tenant (or its estate) or any other person in connection with any insolvency proceedings or arrangement involving the Tenant shall be taken and applied as a payment in gross and shall not prejudice the right of the Landlord to recover from the Guarantor to the full extent of the obligations that are the subject of this guarantee and indemnity.

6.2 The Guarantor shall not claim in competition with the Landlord in any insolvency proceedings or arrangement of the Tenant in respect of any payment made by the Guarantor pursuant to this guarantee and indemnity. If it otherwise receives any money in such proceedings or arrangement, it shall hold that money on trust for the Landlord to the extent of its liability to the Landlord.

6.3 The Guarantor shall not, without the consent of the Landlord, exercise any right or remedy that it may have (whether against the Tenant or any other person) in respect of any amount paid or other obligation performed by the Guarantor under this guarantee and indemnity unless and until all the obligations of the Guarantor under this guarantee and indemnity have been fully performed.

7. OTHER SECURITIES

7.1 The Guarantor warrants that it has not taken and covenants that it shall not take any security from or over the assets of the Tenant in respect of any liability of the Tenant to the Guarantor. If it does take or hold any such security it shall hold it for the benefit of the Landlord.

- 7.2 This guarantee and indemnity is in addition to and independent of any other security that the Landlord may from time to time hold from the Guarantor or the Tenant or any other person in respect of the liability of the Tenant to pay the rents reserved by this lease and to observe and perform the tenant covenants of this lease. It shall not merge in or be affected by any other security.
- 7.3 The Guarantor shall not be entitled to claim or participate in any other security held by the Landlord in respect of the liability of the Tenant to pay the rents reserved by this lease or to observe and perform the tenant covenants of this lease.

Schedule 2 – Terms of the Tie

The following schedule is inclusive of all beer and alcoholic beverages. No distinction is made regarding:

- a) Type of container (i.e. draught, bottled or other package)
- b) Colour/appearance of product (e.g. red, white or rose wines)
- c) The residual sugar in the beverage (e.g. dry, medium or sweet varieties)
- d) Geographical or Brand classification (i.e. similar styles of beverages may be produced from sources other than those suggested by the name in the schedule) e.g. *Madeira* or *Montilla* are both similar to Sherry and *Pastis* is a similar beverage to Pernod.

and any such variations are implicitly included in this Schedule.

PART I

BEER

Beer ¹

To include all:

- Light pale or Bitter ale
- Premium or Strong Ale (including Barley wine)
- Mild or Brown ale
- Stout or Porter
- Wheat Beer
- Lager (including strong or export or premium varieties)
- Low carbohydrate or “Diat” or cold filtered or ice filtered Lager
- Low alcohol beer
- Alcohol-free beer

PART II NON BEER DRINKS

Cider and Perry ²

To include all varieties

Wine ³

To include all:

Grape wine e.g. Table wine Fine wine Dessert wine
Sparkling wine
Other fruit wine e.g. Apricot wine Cherry wine Rhubarb
wine
Other fermented liquors e.g. Mead Ginger wine Flower wine
Birch wine Sake.

Fortified wine ⁴ and aperitifs:

To include all:

Ports Sherries Vermouths *Vin doux naturels*
Aromatised or spiced or herbal wines or sloe gin
Fortified fruit wines
Bitters
Alcoholic punch bases e.g. Pimms or Mulled wine

Spirits ⁵:

To include all:

Whisky *also spelt Whiskey*
Rum Brandy
Gin Vodka
Other spirits e.g.:
Tequila Calvados Schnapps Ouso Slivovitz
Pernod Poteen

Liqueurs ⁶:

To include all:

Fruit Liqueurs Cream Liqueurs
Herbal or Chocolate or Coffee or Honey or Spice or Nut Liqueurs
Flavoured or Sweetened or Mixed Spirits
Alcoholic Cordials and Syrups

Flavoured Alcoholic Beverages ⁷.

To include all:

Premium Packaged Spirits
Ready to drink cocktails or mixed spirits
Packaged "spritzers" or "alcopops" or "shots".

Soft Drinks:

To include all:

Fruit juices and fruit based drinks
Cordials
Mixers

Definitions and notes.

1. Beer. (Certain styles can also be called Ale or Malt Liquor).
Fermented alcoholic beverage derived predominantly from cereal sugars.
Alcohol by volume does not normally exceed 9%.
2. Cider and perry.
Fermented alcoholic beverage derived predominantly from apples or pears.
Alcohol by volume does not normally exceed 9%.
3. Wine.
Fermented alcoholic beverage derived predominantly from grapes or other fruits. Alcohol by volume does not normally exceed 15%.
4. Fortified Wines.
Alcoholic beverage derived predominantly from fermented grapes or other fruits, with added spirits, cordials, spices or herbs. Alcohol by volume does not normally exceed 30%.
5. Spirits.
Alcoholic beverage derived from the distillation of a fermented liquor. Sometimes aged in wooden casks. Alcohol by volume does not normally exceed 55%.
6. Liqueurs.
Alcoholic beverage derived predominantly from fermented or distilled liquor that has been additionally sweetened and adjusted with other alcoholic and/or non-alcoholic adjuncts. Alcohol by volume does not normally exceed 40%.
7. Flavoured alcoholic beverages.
Alcoholic Beverage, usually retailed from a “ready-to-drink” package, derived from fermented or distilled liquor which is mixed with other alcoholic or non alcoholic flavourings, sugars or liquids. Alcohol by volume does not normally exceed 15%.

Schedule 3 Code of Practice

SIGNED AND DELIVERED as a deed)
by **HARVEY & SON (LEWES) LIMITED**)
acting by HAMISH ELDER, a director)
in the presence of:)

.....
Director

Witness signature:

Witness name:

Witness address:

Witness Occupation:

SIGNED AS A DEED by)
[INSERT NAME])
in the presence of:-)

Witness signature:

Witness name:

Witness address:

Witness Occupation: