

DATED

2015

HYNDBURN BOROUGH COUNCIL

- and -

CHURCHFIELD HOUSE LIMITED

L E A S E

of Churchfield House, Church Street, Great Harwood, Lancashire

**HYNDBURN BOROUGH COUNCIL
ACCRINGTON**

LAND REGISTRY PRESCRIBED CLAUSES

LR1. Date of lease	
LR2. Title number(s)	LR2.1 Landlord's title number(s) LAN53383 <i>LR2.2 Other title numbers</i> Existing title number(s) against which entries of matters referred to in LR9, LR10, LR11 and LR13 are to be made.
LR3. Parties to this lease Give full names, addresses and company's registered number, if any, of each of the parties. For Scottish companies use a SC prefix and for limited liability partnerships use an OC prefix. For foreign companies gives territory in which incorporated.	Landlord HYNDBURN BOROUGH COUNCIL of Scaitcliffe House, Ormerod Street, Accrington Lancs BB5 OPF Tenant CHURCHFIELD HOUSE LIMITED a company limited by guarantee (Company No. 09000510) whose registered office is situate at Churchfield House, Church Street, Great Harwood, Lancashire BB6 7RE Other parties Specify capacity of each party, for example "management company", "guarantor", etc.
LR4. Property Insert a full description of the land being leased or Refer to the clause, schedule or paragraph of a schedule in this lease in which the land being leased is more fully described. Where there is a letting of part of a registered title, a plan must be attached to this lease and any floor levels must be specified	In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail. Clause 1.10
LR5. Prescribed statements etc. If this lease includes a statement falling within LR5.1, insert under that sub-clause the relevant statement or refer to the clause, schedule or paragraph of a schedule in this lease which contains the statement. In LR5.2, omit or delete those Acts which do not apply to this lease.	LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003 LR5.2 This lease is made under, or by reference to, provisions of:
LR6. Term for which the Property is leased Include only the appropriate statement (duly completed) from the three options. Note: The information you provide, or refer to, here will be used as part of the particulars to identify the lease under rule 6 of the Land	The term as specified in clause 1.13 of this Lease

<i>Registration Rules 2003</i>	
LR7. Premium <i>Specify the total premium, inclusive of any VAT where payable</i>	None
LR8. Prohibitions or restrictions on disposing of this lease <i>Include whichever of the two statements is appropriate.</i> <i>Do not set out here the wording of the provision.</i>	This lease contains a provision that prohibits or restricts dispositions
LR9. Rights of acquisition etc. <i>Insert the relevant provisions in the sub-clauses or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions</i>	LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land None LR9.2 Tenant's covenant to (or offer to) surrender this lease None LR9.3 Landlord's contractual rights to acquire this lease None
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property <i>Insert the relevant provisions or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions</i>	N/A
LR11. Easements <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements</i>	LR11.1 Easements granted by this lease for the benefit of the Property First Schedule LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property Second Schedule
LR12. Estate rentcharge burdening the Property <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the rentcharge</i>	N/A
LR13. Application for standard form of restriction <i>Set out the full text of the standard form of restriction and the title against which it is to be entered. If you wish to apply for more than one standard form of restriction use this clause to apply for each of them tell us who is applying against which title and set out the full text of the restriction you are applying for.</i> <i>Standard forms of restriction are set out in Schedule 4 to the Land Registration Rules 2003.</i>	N/A

charity commission for England and Wales dated [] and made under sections [] and [117(1)] of the Charities Act 2011

- 1.7 **"Plan"** means the plan or plans annexed to this Lease, **"Plan 1"** means the plan marked Plan 1 and **"Plan 2"** means the plan marked Plan 2 annexed to this Lease;
- 1.8 **"Planning Acts"** means every Act for the time being in force relating to the use, development, design, control and occupation of land and buildings;;
- 1.9 **"Plant"** means all apparatus machinery and equipment installed by the Landlord in the Property including (for example) lifts lift shafts standby generators boilers items relating to mechanical ventilation heating and cooling and closed circuit television systems;
- 1.10 **"Property"** means all that property known as Churchfield House Church Street, Great Harwood, Lancashire BB6 7RE, shown for the purposes of identification edged red on the plan and forming part of Land Registry title number LAN53383 including:-
- 1.10.1 any building or other structure that is now on the Property and every other building at any time erected on the Property (Building);
- 1.10.2 the plant and fittings installed there by the Landlord whether at the date hereof or during the Term and including (but not limited to) those items, if any, listed in the Third Schedule;
- 1.10.3 all conducting media on the Property;
- 1.10.4 all additions and improvements;
- 1.10.5 all fixtures (whether or not fixed at the beginning of the Term), except any installed by the Tenant that can be removed without defacing the Property;
- 1.11 **"Rent"** means one peppercorn per year if demanded;
- 1.12 **"the Retained Parts"** means such parts of the Landlords land and property included in freehold title number LAN53383 which are not included in the Property
- 1.13 **"Term"** means the period of 25 years from and including [] and expiring on []

2. Interpretation

In this Lease:

- 2.1 "Conducting Media" includes all drains channels sewers flues conduits ducts pipes wires cables watercourses gutters culverts soakaways and other similar transmission media and installations and all fixings louvres cowls covers and other ancillary apparatus and references to Conducting Media being "in" or "on" include conducting Media in on under over or through;
- 2.2 "Landlord" includes the person from time to time entitled to possession of the Property when this Lease comes to an end;
- 2.3 "this Lease" includes (except where the contrary is indicated) any document supplemental or collateral to this document or entered into in accordance with this document;
- 2.4 "Losses" includes all liabilities incurred by the Landlord all damage and loss suffered by it and all damages awarded against it all claims demands actions and proceedings made or brought against it and all costs disbursements and expenses incurred by it;
- 2.5 "Tenant" includes the person from time to time in whom the tenant's interest under this Lease is vested.
- 2.6 References:
 - 2.6.1 to a particular statute or part of it ("statutory reference") include (except where the contrary is indicated) any relevant derivative legislation and refer to that statutory reference as it may have been extended modified amended or re-enacted by the date upon which its construction is relevant for the purposes of this Lease and not as originally enacted or as at the date of this Lease;
 - 2.6.2 generally to "statute" or "statutes" include derivative legislation and any regulation or other legislation of the European Community that is directly applicable in the United Kingdom and include existing statutes and those that come into effect during the Term;
 - 2.6.3 to "parties" or "party" mean the Landlord and the Tenant or either of them;
 - 2.6.4 to the expiry of the Term or to the last year of the Term are to the end of the Term and the last year of the Term however the Term comes to an end whether by effluxion of time or in any other way including (for example) determination by forfeiture;

- 2.7 any consent of the Landlord must be in writing and signed by or on its behalf if it is to be effective under this Lease;
- 2.8 where the consent of the Landlord is required it may be given subject to any necessary further consent being obtained from a superior landlord and nothing in this Lease implies that this further consent may not be unreasonably withheld;
- 2.9 whenever the Landlord or the Tenant consists of more than one person any obligation of or to that party is of or to those persons separately all together or in any combination;
- 2.10 if any provision of this Lease is held to be illegal, invalid or enforceable, the legality, validity and enforceability of the remainder of this Lease will be unaffected;
- 2.11 words importing one gender include all genders;
- 2.12 any covenant by the Tenant not to do any act or thing includes an obligation not to allow that act or thing to be done;
- 2.13 the Tenant will be liable for any breaches of its obligation in this Lease committed by any authorised occupier of the Premises or its or their respective employees , licencees or contractors or any person under the control of the Tenant or acting under the express or implied authority of the Tenant;
- 2.14 the headings are for locating references in the text and are not to be taken into account in interpretation.
- 2.15 any obligation to pay any sum under this Lease refers to a sum exclusive of value added tax (VAT) and any VAT charged on it is payable in addition

3. Letting

- 3.1 The Landlord lets the Property to the Tenant for the Term.
- 3.2 The Property is let with the benefit of the rights mentioned in the First Schedule to this lease and is subject to all rights, easements, privileges, restrictions, covenants and stipulations of whatever nature affecting the Property (including any matters contained or referred to in the Second Schedule)

4. Rent

The Tenant covenants with the Landlord as follows:

- 4.1 To pay the Rent;
- 4.2 To pay the Insurance Rent on demand, by direct debit, including the amount of any insurance excess and all of any increase in payments payable by reason of any act or omission on the part of the Tenant;
- 4.3 Not to reduce any payment of the Rent or Insurance Rent by making any deduction from its or by setting any sum off against it;

5. Repair Cleaning and Decoration

The Tenant covenants with the Landlord as follows:

- 5.1 Throughout the Term and with all due diligence to keep the Property in good and substantial repair and condition and properly cleansed
PROVIDED THAT:
the Tenant shall not be required to put the Property in and better state of repair and condition as evidenced by the Schedule of Condition dated 17th October 2013 if the relevant part of the Property has not been the subject of decoration or refurbishment works undertaken by or on behalf of the Tenant including those shown in the supplemental schedule of condition dated 4th July 2014
- 5.2 To decorate the Property when reasonably required by the Landlord to keep the Property in a good standard of decorative repair, on each occasion using the type of finish used previously, all painting to be with good quality paint and all wallpaper and wall coverings to be of good quality
PROVIDED THAT:
the Tenant shall not be required to put the Property in and better state of repair and condition as evidenced by the Schedule of Condition dated 17th October 2013 if the relevant part of the Property has not been the subject of decoration or refurbishment works undertaken by or on behalf of the Tenant including those shown in the supplemental schedule of condition dated 4th July 2014
- 5.3 To keep all Conducting Media, plant, equipment (including but limited to electrical appliances) or fixtures forming part of the Property (or that exclusively serve it) properly inspected and maintained and in good working order in accordance with good industry practice and any requirements of the Landlord's insurers and for that purpose to employ reputable contractors approved by the Landlord to carry out regular periodic inspection and maintenance of the same;
- 5.4 To replace any of the Conducting Media fixtures or plant that become beyond repair during the Term;
- 5.5 Without prejudice to clause 5.3 to carry out all necessary tests, inspections maintenance and remedial work in order to comply with all health and safety legislation in respect of the Property and the

Permitted Use including, but not limited to, all necessary measures for the identification, monitoring and prevention of legionella in accordance with current regulations and codes of practice from time to time;

- 5.6 To clean the Property including the windows and keep it clean and tidy;
- 5.7 Not to cause any area abutting the Property to be untidy;
- 5.8 To obtain the Landlord's approval (such approval not to be unreasonably withheld or delayed) of any change in the colours in any redecoration of both the exterior and the interior of the Property in the last year of the term;
- 5.9 Where the use of Conducting Media boundary structures or other things is common to the Property and other premises to be responsible for and to indemnify the Landlord against all sums due from and to undertake all work that is the responsibility of the Owner, Tenant or Occupier of the Property in relation to those things.

6. Alterations

The Tenant covenants with the Landlord not at any time on or after the date hereof to:

- 6.1 Erect any new building or structure on the Property or unite the Property with any adjoining property;
- 6.2 Make any addition, alteration or improvement to the exterior or any structural part of the Property;
- 6.3 Without prejudice to clauses 6.1 and 6.2 make any other addition, alteration or improvement to the Property unless;
 - 6.3.1 the consent of the Landlord has been obtained such consent not to be unreasonably withheld or delayed;
 - 6.3.2 all necessary consents from any competent authority have been obtained;
 - 6.3.3 the Landlord has been supplied with drawings and where appropriate a specification in duplicate prepared by an architect or member of some other appropriate profession who must supervise the work to completion;
 - 6.3.4 the reasonable and proper fees of the Landlord and its respective professional advisors have been paid in relation to the application for consent;
 - 6.3.5 such covenants as the Landlord may reasonably require about the carrying out of the additions and alterations or improvements

and if required the reinstatement of the Property have been entered into with the Landlord

;

- 6.4 Not to make any alteration or addition to the electrical installation at the Property without the Landlord's consent and then only in accordance with standards prescribed by the Institute of Electrical Engineers and the supply authority or to connect any apparatus to the installation that might endanger or overload it;
- 6.5 Not to connect with any Conducting Media which serve the Property unless it has obtained the approval of the relevant authority and the Landlord (the Landlord's approval not to be unreasonably withheld or delayed);
- 6.6 Not to commit any waste at the Property;

7. Use

The Tenant covenants with the Landlord:

- 7.1 Not to use the Property except for the Permitted Use
- 7.2 At all times throughout the Term to keep the Property open for the Permitted Use;
- 7.3 Not to do any act or allow to remain upon the Property any substance or article which may constitute a nuisance or which may cause inconvenience, disturbance, injury or annoyance to the Landlord or the occupiers of any nearby premises or cause damage to the Property or other nearby premises;
- 7.4 Not to use the Property for any dangerous, noisy or offensive occupation or for any illegal or immoral purpose;
- 7.5 Not to use the Property as sleeping accommodation or for residential purposes or keep any animal, reptile or bird on them
- 7.6 Not to use the Property for the sale of alcohol or consumption on or off the Premises save to the extent that the same is ancillary to the Permitted Use and the Landlord's prior consent has been obtained in its capacity as Landlord in addition to all necessary premises licences from the Licensing Authority. For the avoidance of doubt licence granted by the Landlord in either its capacity as Licensing Authority or as Landlord is not to be inferred as licence in both capacities.
- 7.7 Not to discharge into any Conducting Media within or that serve the Property any substance that may obstruct them or cause damage or danger or any noxious, poisonous or radioactive matter or anything

likely to pollute or contaminate;

- 7.8 Not to overload the Property;
- 7.9 To ensure that there is no release from the Property into any environmental medium of any substance in such quantities or concentrations that are capable of causing harm to the health of human kind or other living organisms or to land, surface or ground water or ecology systems;
- 7.10 Not to carry out on the Property any activity or keep on the Property any substance or article for which any authorisation, licence, permit, consent or other approval is needed from a government department or local regulatory public or other authority ("Official Approval") without having:-

obtained the Landlord's consent when this is required under this Lease;

produced to the Landlord a copy of every application for Official Approval;

obtained the Official Approval;

produced to the Landlord a copy of the Official Approval;

- 7.11 To comply with every Official Approval including any conditions to which it is subject;

8. Planning

The Tenant covenants with the Landlord:

- 8.1 Not to commit any breach of planning control and to comply with the Planning Acts in relation to the Property;
- 8.2 Not to make any application for planning permission in relation to the Property or to serve any notices in respect of an application without the approval of the Landlord, such approval not to be unreasonably withheld or delayed;
- 8.3 Having obtained the Landlord's approval under the preceding clause to apply for all planning permissions and to serve all notices required for carrying out any operation or change of use on the Property which may constitute development (as defined in the Planning Acts) and to pay all fees and any other sums due in relation to every application;
- 8.4 Even if the Landlord has given its approval and granted whatever other consents are needed under this Lease, not to carry out any operation or change of use on the Property until;

- 8.4.1 all necessary notices under the Planning Acts have been served and copies produced to the Landlord;
 - 8.4.2 all necessary permissions under the Planning Acts have been obtained and produced to the Landlord and;
 - 8.4.3 the Landlord has acknowledged that every necessary Planning Permission is acceptable to it (such acknowledgement not to be unreasonably withheld or delayed) although the Landlord may refuse to acknowledge its acceptance of a Planning Permission on the grounds that any condition contained in it or anything omitted from it or the period referred to in it would be (or would be likely to be) prejudicial to the Landlord's interest in the Property whether during or after the expiry of the term;
- 8.5 Unless the Landlord otherwise directs to complete before the expiry of the Term:-
- 8.5.1 any works specified as having to be carried out by a date after the expiry of the Term in a Planning Permission or in an Agreement with the planning or any other authority entered into as a condition of obtaining planning permission;
 - 8.5.2 any development begun on the Property.

9. Alienation

The Tenant covenants with the Landlord:

- 9.1 Not to assign, underlet, charge, hold the Property on trust for another nor to part with possession of the Property or any part of it or permit another to occupy it or any part of it except pursuant to a transaction permitted by and effected in accordance with the provisions of this Lease;
- 9.2 Not to charge assign, hold on trust, part with or share possession of the whole or any part of the Property
- 9.3 The provisions of the Fifth Schedule apply to underlettings of the Property and the Tenant must comply with its obligations in that Schedule.

10. Insurance

10.1 Definitions

In this clause:

- 10.1.1 “Insured Risks” the risks of fire, explosion, storm, flood, earthquake, riot and civil commotion to the extent, in each case, that cover is generally available on normal commercial terms in the UK insurance market at the time the insurance is taken out, and any other risks against which the Landlord reasonably insures from time to time, subject in all cases to any excesses, limitations and exclusions imposed by the insurers;
- 10.1.2 “Permissions” means all planning permissions and other permits and consents that may be required under the Planning Acts or other statute for the time being in force to enable the Property lawfully to be rebuilt and reinstated in the event of any damage or destruction;
- 10.1.3 “Reinstatement Costs” means an amount sufficient to cover the full costs of rebuilding and reinstating the Property as new in the event of the total destruction including architects, surveyors and other professional fees payable upon any applications for the Permissions, the cost of debris removal, demolition site clearance, any works that may be required by statute and incidental expenses;
- 10.1.4 “Liability” means all liability of the Tenant under Clause 11.12 (indemnity covenant) and all liability of the Landlord to third parties arising out of or in connection with any matter involving or relating to the Property;

10.2 Landlord to Insure

The Landlord covenants with the Tenant:

- 10.2.1 to insure the Property and keep it insured against damage or any destruction by the Insured Risks in an amount equal to the Reinstatement Costs unless the insurance is vitiated by any act of the Tenant or by anyone at the Property expressly or by implication with his authority;

All such insurances to be effected in such substantial and reputable insurance office or with such underwriters and through such agency as the Landlord may from time to time decide;

10.3 Tenant’s Insurance Covenants

The Tenant covenants with the Landlord:

- 10.3.1 to comply with all the requirements and recommendations of the insurers;
- 10.3.2 not to do or omit to do anything which could cause any policy

of insurance effected in accordance with clause 10.2 to become void or voidable wholly or in part;

- 10.3.3 to comply with all requirements and recommendations of the Fire Authority as to fire precautions relating to the Property;
- 10.3.4 to give notice to the Landlord immediately upon the happening of any event which might affect any policy of insurance effected in accordance with Clause 10.2 and also upon the occurrence of any destruction of or damage to the Property (whether or not caused by the insured risks or any of them);
- 10.3.5 to obtain and maintain appropriate public liability insurance to cover against all Liability including against all liabilities, damages or compensation, penalties, costs, disbursements and expenses arising from any claim, demand, action or proceedings whatsoever resulting from personal injury to or the death of any person, or any injury or damage to any real or personal property arising out of or in the course of or as a result of the use of the Property such insurance to be with a substantial and reputable insurer with a minimum level of cover of £5 million in respect of each claim and to produce to the Landlord on demand every policy of insurance and schedule of cover effected in accordance with this clause and the receipt for the payment the insurance premium;
- 10.3.6 to be responsible for maintaining adequate insurance for the Tenant's fixtures fittings and contents at the Property
- 10.3.7 if at any time the Tenant is entitled to the benefit of any insurance of the Property that is not effected or maintained in pursuance of any obligation contained in this Lease, the Tenant must apply all money received by virtue of that insurance in making good the loss or damage in respect of which the money is received.

10.4 Reinstatement

Subject to the provisions of clause 10.5 and 10.8 if and whenever during the Term the Property is damaged or destroyed by the Insured Risks or any of them:-

- 10.4.1 The Landlord shall with all convenient speed take such steps as may be requisite and proper to obtain the Permissions and as soon as they have been obtained shall apply all money in respect of the insurance in rebuilding and reinstating the Property in accordance with the Permissions making up any shortfall out of its own monies

10.5 Supervening Events

10.5.1 For the purpose of this clause and of clause 10.6 the expression (Supervening Events) means each and any of the following circumstances;

10.5.1.1 The Landlord has failed despite using its reasonable endeavours to obtain the Permissions;

10.5.1.2 Any of the Permissions have been granted subject to a lawful condition with which in all of the circumstances it would be unreasonable to expect the Landlord to comply;

10.5.1.3 Some defect or deficiency in the site upon which the rebuilding or reinstatement is to take place would render the same impossible;

10.5.1.4 The Landlord is unable to obtain access to the site for the purposes of rebuilding or reinstating;

10.5.1.5 The rebuilding or reinstating is prevented by circumstances beyond the control of the Landlord.

10.6 Option to Determine

If by the expiry of a period of 2 years commencing on the date of the damage or destruction, rebuilding or reinstatement shall not have been commenced and the Supervening Events still subsist either party may by notice served on the other at any time within 3 months thereafter evoke the provisions of clause 10.7;

10.7 Termination

Upon the service of a notice in accordance with Clause 10.6 the Term shall absolutely cease but without prejudice to any rights or remedies that may have occurred to the Landlord against the Tenant or to the Tenant against the Landlord and all money received in respect of the insurance effected by the Landlord pursuant to this Lease is to belong to the Landlord absolutely

10.8 Reinstatement on refusal of money through default

If at any time the Property or any part of them are damaged or destroyed by one or more of the Insured Risks and the insurance money under the policy of insurance effected by the Landlord pursuant to his obligations contained in this Lease is wholly or partially irrecoverable because of any act or default of the Tenant or of anyone at the Property expressly or by implication with his authority, the Tenant must immediately, at the option of the Landlord, either rebuild and reinstate the Property or the part of them destroyed or damaged to

the reasonable satisfaction and under the supervision of the Landlord's Surveyor – in which case, on completion of the rebuilding and refurbishment, the Landlord must pay to the Tenant the amount that the Landlord has actually received under the insurance policy in respect of the destruction or damage – or pay to the Landlord on demand with Interest the amount of the insurance money so irrecoverable

10.9 Provision of insurance details

To produce to the Tenant on demand but not more often than once in any year details of the Landlord's insurance of the Property sufficient to enable the Tenant to comply with the obligations on its part in this lease and of the fact that the last premium has been paid and to promptly inform the Tenant in writing of all material variations amendments to or changes in such policy and recommendations and requirements of the insurance company in respect of the Property which the Tenant needs to be aware of in order to comply with the obligations on its part in this lease as soon as reasonably practicable after the Landlord has been notified of the same

11. Tenant's Other Covenants

The Tenant covenants with the Landlord:

11.1 Outgoings

11.1.1 to pay and to indemnify the Landlord against:

11.1.1.1 all rates taxes assessments impositions duties levies charges and outgoings of any type which now or during the Term are charged assessed or imposed on the Property or on its owner lessor lessee or occupier.

11.2 Supplies

11.2.1 where a separate supply is provided to the Property to pay the supplier and to indemnify the Landlord against all charges for water electricity gas telephone and other supplies consumed on the Property and to pay all equipment rents;

11.2.2 where supply charges are made in relation to the Property and other premises (or upon the owner or occupier of the Property and other premises) to pay the suppliers and to indemnify the Landlord against the proportion of the charges properly attributable to the Property (or the owner or occupier of the Property) to be determined in the absence of agreement by the Landlord's surveyor.

11.3 Access of Landlord and notice to repair

11.3.1 to permit the Landlord and all persons authorised by the Landlord at reasonable times and on reasonable notice (except in an emergency) to enter the Property:

11.3.1.1 to establish if the provisions of this Lease have been observed;

11.3.1.2 to carry out work relating to any jointly used facility;

11.3.1.3 to take schedules and inventories;

11.3.1.4 to exercise any right granted or reserved to the Landlord by this Lease;

11.3.1.5 to view (and to open up floors and other parts of the Property where that is reasonable) the condition of the Property and any work being carried out at the Property;

11.3.1.6 to give the Tenant (or leave on the Property) a notice (the Notice):

- specifying any breach of covenant by the Tenant;
- specifying any work carried out in breach of the provisions of this Lease;
- requiring the Tenant as soon as reasonably practicable (or immediately in the case of emergency) to remedy the breach and to reinstate the Property including the making good of any opening-up but any opening-up must be made good by or at the cost of the Landlord where it reveals no breaches by the Tenant of the provisions of this Lease to the reasonable satisfaction of the Tenant

11.3.2 as soon as reasonably practicable (or immediately in the case of emergency) to repair clean and decorate the Property or to carry out other work as required by the Notice;

11.3.3 to allow the Landlord and all persons authorised by the Landlord to enter the Property to carry out the work that is needed to comply with the Notice and to pay to the Landlord the cost of doing so within fourteen days of a written demand; if:

11.3.3.1 within thirty days of service of the Notice (or such

other reasonable period of time as the Landlord and Tenant shall agree having regard to the nature of the work referred to in the Notice) the Tenant has not both begun and then continued the work referred to in the Notice; or

11.3.3.2 the Tenant fails to complete the work within sixty days of service of the Notice (or such other reasonable period of time as the Landlord and Tenant shall agree having regard to the nature of the work referred to in the Notice); or

11.3.3.3 in the Landlord's reasonable opinion the Tenant is unlikely to complete the work within sixty days of the service of Notice (or such other reasonable period of time as the Landlord and Tenant shall agree having regard to the nature of the work referred to in the Notice).

11.4 Aerials signs and advertisements

11.4.1 not to erect any pole mast dish or wire on the Property;

11.4.2 the Tenant is permitted to erect signage on the Property appropriate and relevant to the Permitted Use of a size and kind approved by the Landlord (such approval not to be unreasonably withheld or delayed) at a point specified in writing by the Landlord;

11.4.3 not to display any other sign which is visible from outside the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed.

11.5 Statutes notices and orders

11.5.1 to comply with every statute and any notice or order from a government department or local public regulatory or other authority or court that relates to the Property (activities carried out on the Property) or any substance or article on the Property and whether applicable to the Tenant or the owner lessor lessee or occupier of the Property;

11.5.2 to produce immediately to the Landlord a copy of any notice or order that is served on the Property or the Tenant and that relates to the matters referred to in the preceding clause;

11.5.3 at the request of the Landlord to make or join with the Landlord in making any reasonable representations that the Landlord considers appropriate or otherwise contesting any proposal of a government department or local regulatory or

other authority that relates to or includes the Property.

11.6 Landlord's Title

At all times to observe the covenants and all other matters affecting the Title of the landlord specified in the Second Schedule

11.7 Equipment

to keep all equipment on the Property properly maintained to renew all parts when recommended or necessary and to ensure that the equipment is properly operated.

11.8 Defective premises

11.8.1 to give notice immediately to the Landlord of any defect in the Property which might give rise to a liability or duty on the Landlord;

11.8.2 to display all notices which the Landlord may reasonably require;

11.9 Encroachments

11.9.1 not to stop up darken or obstruct any windows in the Property;

11.9.2 to take all reasonable steps to prevent any encroachment or easement being made or acquired over the Property and to give notice to the Landlord immediately if any is attempted.

11.10 Evidence of compliance

If required to produce to the Landlord such evidence as the Landlord may reasonably require to satisfy itself that the provisions of this Lease have been complied with.

11.11 Access Road and Parking

11.11.1 Not to obstruct any parts of the roads paths or accessways leading to the Property or the Landlord's adjoining property or any access thereto used in common with others and to comply with all regulations imposed by the Landlord in respect of such use from time to time

11.11.2 Not to park any vehicles, caravan or moveable dwelling or place any item on the Landlord's adjoining property save for the parking of appropriate private motor cars in the demarcated parking bays in the area shown edged blue on Plan 1 such areas and only in accordance with such regulations that the Landlord shall impose in respect of such

use from time to time

11.11.3 Within 7 days of demand to pay to a fair proportion, to be reasonably determined by the Landlord's surveyor, of any Landlord's cost or expenditure incurred in repairing and maintaining the access roads, ways, paths and parking area within the area shown edged blue on plan 1

11.12 Indemnity

To be responsible for and to keep the Landlord indemnified against all Losses resulting directly or indirectly from any breach by the Tenant of the provisions of this Lease or arising from the Tenant's use and occupation of the Property or those permitted to use it.

11.13 Keyholders

To ensure that at all times both the Landlord and the local police are aware of the name home address and home telephone number of at least two keyholders of the Property.

11.14 Interest

To pay Interest from the due date to the date of payment (both before and after any judgment) calculated on a daily basis (the interest to be compounded with rests on the usual quarter days) but nothing in this clause entitles the Tenant to withhold or delay any payment or affects the rights of the Landlord in relation to non-payment.

11.15 Landlord's costs

11.14.1 to pay to the Landlord all fees charges costs and other expenses (reasonably and properly) incurred by the Landlord in relation to:

11.15.1.1 every application made by the Tenant for consent whether it is granted refused offered subject to any qualification or withdrawn save where the licence or consent is found to have been unreasonably withheld or delayed or made subject to unreasonable conditions in circumstances where the Landlord is obliged to consider such consent;

11.15.1.2 the preparation and service of a notice under the Law of Property Act 1925 section 146 or incurred in taking or in reasonable contemplation of proceedings under sections 146 and 147 of that Act even if forfeiture is avoided otherwise than by a court order;

- 11.15.1.3 the recovery of any sums due from the Tenant;
 - 11.15.1.4 enforcing or requiring the Tenant to remedy a breach of the provisions of this Lease;
 - 11.15.1.5 any steps taken in connection with the preparation and service of a schedule of dilapidations during or after the expiry of the Term;
- 11.15.2 where the Landlord could recover the cost of professional advice or services under the preceding clause if they were undertaken by a third party but these services or that advice are provided by the Landlord or by a company within the Landlord's Group to pay to the Landlord (or that company) a reasonable sum (plus VAT if payable) for such advice and services but not more than the amount payable by the Tenant if that advice or service had been provided by a third party.

11.16 Yield up

at the expiry of the Term:

- 11.16.1 to yield up the Property with vacant possession decorated and repaired in accordance with and the condition required by the provisions of this Lease;
- 11.16.2 to give up all keys of the Property to the Landlord;
- 11.16.3 to remove the Tenant's fixtures and fittings (if requested by the Landlord) and all signs erected by the Tenant on or near the Property and to make good immediately any damage caused by the removal.
- 11.16.4 at the cost of the Tenant to take all necessary action to remove entries (if any) of the Tenant's interest under this Lease from the Landlord's title.

11.17 Room Hire income and Income/Expenditure Accounts

- 11.17.1 if required by the Landlord to apply all income arising from any room hire or lettings at the Property towards the running and maintenance costs of the Property for the Permitted Use including the provision of a maintenance fund for future maintenance and repair
- 11.17.2 If required by the Landlord to provide the Landlord with a schedule of all room hire bookings and tariffs during the Term

and on the 1st April each year during the Term to provide the Landlord's Head of Accountancy with audited accounts providing full details of the running costs and maintenance expenditure incurred in respect of the Property and associated with the Permitted use and all income received in connection with it whether from room hire bookings/ permitted underletting or otherwise

11.18 Registration at Land Registry

11.18.1 The Tenant must within 6 weeks of the date of this Lease, apply to register and then to take all reasonable steps to complete the registration of the Lease and the Tenant's rights at the Land Registry and to promptly supply an official copy of the registered title to the Landlord following such registration

11.18.2 The Tenant must within 2 weeks after the expiry of the Term (however it ends) apply to the Land Registry to close and then take all reasonable steps to complete the closure of any registered title relating to this Lease and to remove from the Landlord's registered title to the Property any reference to this Lease and the Tenant's rights.

12. Landlord's Covenants

The Landlord covenants with the Tenant:

12.1 Quiet enjoyment

To permit the Tenant to hold the Property peaceably and without any interruption by the Landlord or any person claiming under or in trust for the Landlord.

12.2 Exercising rights

In exercising the rights involving entry to the Property to cause (and to ensure that those exercising the rights on its behalf cause) as little damage and inconvenience as is reasonably practicable to the Property.

13. Forfeiture

13.1 A "Forfeiting Event" is any one or more of the following:-

13.1.1 a breach by the Tenant of any of the provisions of this Lease;

13.1.2 where the Tenant, being a company, goes into liquidation, unless that is solely for the purpose of amalgamation or reconstruction when solvent, an administrative receiver is

appointed or an administration order is made in respect of it;

13.1.3 where the Tenant enters into an arrangement for the benefit of its creditors;

13.2 Whenever a Forfeiting Event exists the Landlord may enter the Property (or any part of it) at any time even if a previous right of re-entry has been waived and then the Term will end but without affecting any rights that either party may have against the other including (for example) the breach under which the re-entry is made.

14 Miscellaneous

14.1 Representations

The Tenant acknowledges that it has not entered into this Lease in reliance on any representation made by or on behalf of the Landlord.

14.2 Exclusion of use warranty

Nothing in this Lease or in any consent granted by the Landlord implies that the Property may be used for any particular purpose.

14.3 Effect of waiver

Each of the Tenant's covenants will remain in force even if the Landlord has waived or temporarily released that covenant.

15. Notices

15.1 A notice under this Lease must be in writing and unless the receiving party or its authorised agent acknowledges receipt is valid if (and only if) it:

15.1.1 is given by hand sent by registered post or recorded delivery or sent by fax provided a confirmatory copy is on the same day given by hand or sent by registered post or recorded delivery; and

15.1.2 is served:

- where the receiving party is a company incorporated within Great Britain at its registered office or
- where the receiving party is the Tenant and the Tenant is not such a company at the Property or
- where the receiving party is the Landlord and the Landlord is not such a company at the Landlord's address shown in

this Lease or at any address specified in a notice given by the Landlord to the Tenant.

- 15.2 Unless it is returned through the Post Office undelivered a notice sent by registered post or recorded delivery is to be treated as served on the third working day after posting whenever and whether or not it is received;
- 15.3 A notice sent by fax is to be treated as served on the day upon which it is sent or the next working day where the fax is sent after 4 p.m. or on a day that is not a working day whenever and whether or not it or the confirmatory copy is received unless the confirmatory copy is returned through the Post Office undelivered;
- 15.4 The term “working day” means a day when the UK clearing banks are open for business in the City of London;
- 15.5 If the receiving party consists of more than one person a notice to one of them is notice to all;

16. Tenant’s property

If, after the Tenant has vacated the Property at the end of the Term, any property of his remains in or on the Property and he fails to remove it within 7 days after a written request from the Landlord to do so, or, if the Landlord is unable to make such a request to the Tenant, within 14 days from the first attempt make it, then the Landlord may, as the agent of the Tenant, sell that property. The Tenant must indemnify the Landlord against any liability incurred by the Landlord to any third party whose property is sold by him in the mistaken belief held in good faith – which is to be presumed unless the contrary is proved – that the property belonged to the Tenant. 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 6 months of the date upon which he vacated the Property. The Tenant must indemnify the Landlord against any damage occasioned to the Property and any losses caused by or related to the presence of the property in or on the Property

17. Compensation

- 17.1 So far as the law permits, the Tenant shall not be entitled upon quitting the Property to any compensation under Section 37 of the Landlord and Tenant Act 1954

18. Arbitration

Any matter which this Lease requires to be decided by Arbitration is to be referred to a single Arbitrator under the Arbitration Act 1996. The

Landlord and the Tenant may agree the appointment of the Arbitrator or either of them may apply to the President of the Royal Institution of Chartered Surveyors to make the appointment.

19. Third Party Rights

19.1 Unless the right of enforcement is expressly provided it is not intended that a third party should have the rights to enforce any terms of this Lease pursuant to the Contracts (Rights of Third Parties) Act 1999 but this does not affect any third party rights which might be available apart from the Act.

19.2 The parties may by agreement rescind or vary this Lease without the consent of a third party to whom the right of enforcement of any of its terms has been expressly provided.

20. Agreement for Lease

The Landlord and the Tenant confirm that there is no Agreement for Lease to which this Lease gives effect.

21. New Lease

This Lease is a new Lease for the purposes of the 1995 Act.

22. Background and Charities Act Statements

22.1 The Property is held by the Landlord on trust for the purposes of the Milton Haydock Bequest (Charity Commission No. 221950) a non-exempt charity and this lease is not one falling within paragraph (d) of Section 117(3) of the Charities Act 2011 so the restrictions on dispositions imposed by Sections 117 to 121 of that Act apply to the Property

22.2 The grant of this Lease is authorised by and subject to an Order of the Charity Commissioners for England and Wales pursuant to section [] of the charities Act 2011 dated [] 2015.

23. Option To Determine

23.1 If the Landlord wishes to determine this Lease at any time during the Term and gives to the Tenant not less than 4 month's written notice of that wish then on expiry of the notice the Term is to cease and determine immediately, but without prejudice to any rights or remedies that may have accrued.

23.2 If the Tenant wishes to determine this Lease on [*insert date of expiry of fifth year of the term*] and gives to the Landlord not less than 6 months' notice of that wish and up to the determination date pays the Rent and all other sums due to the Landlord and substantially performs

and observes the tenant's covenants contained in this Lease and yields up the whole of the Premises with vacant possession, then on the expiry of the notice the Term is to cease and determine immediately, but without prejudice to any rights or remedies that may have accrued.

24 Exclusion of the Landlord and Tenant Act 1954 sections 24 – 28

24.1 Notice and declaration

On [] the Landlord served notice on the Tenant pursuant to the provisions of the Landlord and Tenant Act 1954 Section 38A(3) as inserted by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 relating to the tenancy to be entered into by the Tenant pursuant to this Lease and on [] the Tenant made a [simple] [statutory] declaration pursuant to schedule 2 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003

24.2 Agreement to exclude

Pursuant to the provisions of the Landlord and Tenant Act 1954 Section 38A(1) as inserted by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003, the parties agree that the provisions of the Landlord and Tenant Act 1954 Sections 24 – 28 inclusive are to be excluded in relation to the tenancy to be entered into by the Tenant pursuant to this Lease

25 Costs of the Preparation of this Lease

Then Landlord and the Tenant shall each bear their own legal and surveyor's costs in connection with the negotiation preparation and completion of the grant of this Lease

26 Landlord as Local Authority

For the avoidance of doubt, whilst the reversion immediately expectant upon the expiry of the this Lease Term is vested in Hyndburn Borough Council nothing herein contained or implied shall prejudice or affect the Landlord's rights powers duties and obligations in the exercise of its functions as local authority and the rights duties and obligations as local authority under all public and private statutes byelaws orders and regulations may be as fully and effectually exercised in respect of the Premises as if it were not the Landlord of this Lease and the Lease had not been executed by it

IN WITNESS WHEREOF the parties hereto have caused their common seals to be affixed the day and year first before written:

EXECUTED AS A DEED by)
HYNDBURN BOROUGH COUNCIL)
by affixing its **COMMON SEAL**)
in the presence of:-)

.....
Solicitor to the Council

No. in Seal Book

EXECUTED AS A DEED by)
CHURCHFIELD HOUSE LIMITED)
In the presence of)

.....(Director)

.....(Director/company Secretary)

**THE FIRST SCHEDULE
(Rights benefiting the Property)**

1. The right to receive water, gas and electricity, to receive and send communications and to discharge waste by means of such sewers, drains, pipes, wires and cables existing on or under the Retained Parts at the date hereof.
2. A right of way, subject to temporary interruption for maintenance and repair, in common with the Landlord (and all others authorised by him or so entitled) with or without vehicles only along that part of the access ways included within the area shown edged blue on Plan 1 for the purposes of access and egress from the Property and the marked parking area located within the area edged blue on the Plan
3. The right subject to temporary interruption for maintenance and repair and such regulations as the Landlord shall impose on such use from time to time, in common with the Landlord (and all others authorised by him or so entitled) to park motor cars on such parts of the area edged blue on the plan as shall be demarcated for parking use

**THE SECOND SCHEDULE
(Matters Affecting the Property and
Rights Reserved out of the Lease)**

1. The restrictive covenants, conditions, stipulations and other matters set out in the Landlord's freehold title registered at the Land Registry under title number LAN53383
2. The right to the free and uninterrupted passage and running of all services and supplies from and to any adjoining property of the Landlord in and through the Conducting Media that may at any time be constructed in, on over or under the Property
3. The right of the Landlord and others authorised by it to enter the Property at reasonable times or at any time without notice in the case of emergency:
 - 3.1 to inspect the condition and state of repair of the Property
 - 3.2 to inspect, clean, connect to, lay repair, remove replace with others, alter or execute any works whatever to in in connection with the Conducting Media easements or supplies referred to paragraph 2 of this Schedule
 - 3.3 to carry out works of any kind to any adjoining property of the Landlord or any other buildings which cannot be carried out without access to

the Property

- 3.4 to carry out any works which the Landlord may be obliged to do to the Property under the terms this Lease or by statute
- 3.5 to take schedules or inventories of fixtures and other items to be yielded up at the end of the Term
- 3.6 to exercise any rights granted to the Landlord by this Lease
- 4 The right of the Landlord and others authorised by it to enter onto that part of the Property shown edged blue on the Plan for all reasonable purposes connected with the Landlord's use or management of the its adjoining land
5. Full right and liberty for the Landlord at any time:
 - 5.1 to alter, raise the height or rebuild any buildings and
 - 5.2 to erect any new buildings of any height on any adjoining property of the Landlord
In any manner the Landlord thinks fit, even if doing so may obstruct, affect, or interfere with the amenity or access to the Property or the passage of light and air to the Property provided they do not materially affect the Property or the use and enjoyment of the Property

**THE THIRD SCHEDULE
(List of Landlord's Fittings)**

**THE FOURTH SCHEDULE
(The Tenant's Works)**

1. The Tenant is permitted to carry out the following works in accordance with the requirements specified in this Schedule ("the Permitted Works"):

Ground Floor

- i). Redecorate and paint all rooms
- ii). Strip back all floor coverings and prepare bare floorboards and finish with appropriate varnish finish
- iii). Kitchen – remove and replace damaged worktop and reconfigure base and wall units in order to accommodate kitchen appliances
- iv). Kitchen – remove water heater and replace with a new hot water heating system

First Floor

- i). Redecorate and paint all rooms
- ii). Carry out alterations to fittings within kitchen area to provide comfort break area

2. The Tenant must execute all works required or permitted under this

Schedule –

- 2.1 with all due diligence and speed and with new, sound and proper materials in a good and workmanlike manner to the reasonable satisfaction of the Landlord's surveyors, and
- 2.2 in strict compliance with all statutes and with the terms, conditions and requirements of all approved consents and approvals of the Landlord
- 2.3 having first obtained all necessary all desirable consents and permissions required in connection with such works and paid any charges in connection with them

3. During the execution of any works the Tenant must –

- 3.1 keep all materials and equipment stored inside the Property
- 3.2 not cause any damage, disturbance, annoyance, nuisance or

inconvenience, whether by noise, dust, vibration, the emission of smoke, fumes or effluvia, or otherwise, to the Landlord or to the owners or occupiers of any adjoining or neighbouring property

- 3.3 not cause any damage or disturbance to the structure of the Property or any adjoining or neighbouring property or any plant or machinery at the Property
 - 3.4 not weaken or render unsafe the structure of the Property or any adjoining or neighbouring property and
 - 3.5 not infringe, interrupt or destroy any right, easement or privilege, or interrupt any service to or from adjoining or neighbouring property
4. The alterations and additions comprised in the works permitted or required under this Schedule are not improvements for the purposes of the Landlord and Tenant Act 1927 Part I and are carried out by the Tenant to suit his own personal requirements. Neither the Tenant nor any other person is to be entitled to compensation in respect of the alterations and additions at the end or sooner determination of the Term or at any other time

THE FIFTH SCHEDULE

Underletting

Part 1

1. Defined terms

This Schedule uses the following definitions:

“Approved Underlease”

an underlease of the Permitted Part either in the form of the Sublease set out in Part II of this Schedule or otherwise an underlease of the Permitted Part which is :

- (a) approved by the Landlord;
- (a) lawfully excluded from the security of tenure provisions of the 1954 Act ;
- (b) granted without any premium being received by the landlord of the underlease;
- (c) reserving a market rent, taking into account the terms of the underletting;

- (d) for any lease term exceeding 3 years containing provisions for rent review at three yearly intervals on terms approved by the Landlord;
- (e) containing provisions for permitted use and alterations corresponding to those in this Lease;
- (f) prohibiting the assignment of the whole or part only of the premises let by the underlease;
- (g) containing a covenant by the tenant of the underlease not to create any sub-underlease of the whole or any part of the underlet premises
- (h) containing provisions requiring the undertenant to pay a due proportion, of the Insurance Rent and other sums, excluding the Main Rent, payable by the Tenant under this Lease;
- (i) in the case of an underletting of a Permitted Part, a service charge or a requirement to pay a due proportion to cover the costs of repairing and maintaining the Property and providing common services and amenities for the benefit of the tenants and occupiers of the Property;

“Approved Underlessee”

a person approved by the Landlord and who has entered into a direct deed with the Landlord agreeing to comply with the terms of the Approved Underlease;

“Permitted Part”

Either or both rooms known as the De-Lacy room and Church View room being part of the Property located on the first floor shown edged blue on the Plan numbered Plan 2 annexed to this Lease

1. Right to underlet

The Tenant may, with the Landlord’s consent, underlet the whole of the Permitted Part of the Property by an Approved Underlease to an Approved Underlessee.

2. Obligations in relation to underleases

2.1 The Tenant must not waive any material breach by any underlessee of the Approved Underlease.

2.2 The Tenant must not reduce, defer, accelerate or commute any rent payable under the Approved Underlease.

- 2.3 On any review of the rent payable under the Approved Underlease, the Tenant must:
- 2.3.1 review the rent of the Approved Underlease in compliance with its terms;
 - 2.3.2 not agree the reviewed rent (or the appointment of any third party to decide it) without the Landlord's approval;
 - 2.3.3 include in the Tenant's representations to any third party any representations that the Landlord may require; and
 - 2.3.4 notify the Landlord what the reviewed rent is within two weeks of its agreement or resolution by a third party.
- 2.4 The Tenant must not vary the terms or accept any surrender of any Approved Underlease without the Landlord's approval.

Part II

Form of approved Sub - Lease

DATED

SUB LEASE

relating to

**FIRST FLOOR OFFICE No. [] [DE-LACY ROOM] [CHURCH VIEW] ,
CHURCHFIELD HOUSE, GREAT HARWOOD**

between

CHURCHFIELD HOUSE LIMITED

and

[]

- 1.2 A reference to this **lease**, except a reference to the date 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.
 - 1.4 Unless the context otherwise requires, references to the **Building** and the **Property** respectively are to the whole and any part of them.
 - 1.5 A reference to the **end of the Term** is to the end of the Term however it ends.
 - 1.6 Unless otherwise specified, a reference to a law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it.
 - 1.7 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
 - 1.8 A **person** includes a corporate or unincorporated body.
 - 1.9 Except where a contrary intention appears, a reference to a **clause** is a reference to a clause of this lease.
 - 1.10 Clause headings do not affect the interpretation of this lease.
 - 1.11 To the extent that this is not already expressly provided for by this Lease references to any right exercisable by the Landlord or any right exercisable by the Tenant in common with the Landlord is to be considered as including a reference to the exercise of the right by the Superior Landlord and all persons authorised in writing by the Superior Landlord (including agents professional advisors contractors workmen and others) in common with all other persons having a like right
- 2. Grant**
- 2.1 The Landlord with full title guarantee lets the Property to the Tenant for the Term.
 - 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord and Superior Landlord the rights set out in clause 4, and subject to all rights, restrictions and covenants affecting the Building including all rights, easements and privileges reserved to the Superior Landlord by and the restrictions and covenants contained in the Superior Lease
 - 2.3 The grant is made with the Tenant paying to the Landlord as rent, the Annual Rent and all VAT in respect of it, and all other sums due under this lease.
- 3. Ancillary rights**
- 3.1 The Landlord grants the Tenant the following rights ("**the Rights**") to use in common with the Landlord, the Superior Landlord and any other person authorised by them:
 - (a) the right of support and protection from those parts of the Building that afford support and protection for the Property at the date of this lease and to the extent that such support and protection exists at the date of this lease; and
 - (b) the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease; and
 - (c) the right to enter any part of the Building that adjoins the Property so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease; and

- (d) the right, on a first come first served basis, subject to temporary interruption for repair, alteration, rebuilding or replacement, for the Tenant and all persons expressly or by implication authorised by him—in common with the Landlord and all other persons having a like right—to park up to [2/4] motor cars within the designated parking area at the side of the Building within the area shown edged blue on the plan marked 'Plan 3' annexed hereto ('Plan 3').
 - (e) the right to use the hallways, corridors, stairways, and landings of the Building shown shaded green on Plans 1 and Plan 2 for the purposes of access to and egress from the Property and the kitchen, lavatories and washrooms within the areas shown edged blue on Plans 1 and 2 as designated by the Landlord from time to time.
 - (f) the benefit of the rights granted to the Landlord pursuant to paragraph 1 and 2 of the First Schedule to the Superior Lease.
- 3.2 In relation to the Right mentioned in clause 3.1(b) of this Lease, the Landlord or Superior Landlord may, at its discretion, re-route or replace any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced.
- 3.3 In relation to the Right mentioned in clause 3.1 (c), the Tenant shall:
- (a) except in case of emergency, give reasonable notice to the Landlord and the occupier of that part of the Building of its intention to exercise that Right;
 - (b) cause as little damage as possible to the Building and to any property belonging to or used by the Landlord the Superior Landlord or the tenants or occupiers of the relevant part of the Building;
 - (c) cause as little inconvenience as possible to the Landlord Superior Landlord and the tenants and occupiers of the relevant part of the Building as is reasonably practicable; and
 - (d) promptly make good any damage caused to the Building, or to any property belonging to or used by the Landlord Superior Landlord or the tenants or occupiers of the relevant part of the Building, by reason of the Tenant exercising that Right.
- 3.4 The Tenant shall exercise the Rights:
- (a) only in connection with its use of the Property for the Permitted Use, and in a manner that is consistent with its obligations in clause 11.5; and
 - (b) in accordance with all relevant laws.
- 3.5 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over any other part of the Building or any other property nor is to be taken to show that the Tenant may have any right over any other part of the Building or any other property, and section 62 of the Law of Property Act 1925 does not apply to this lease.
- 4. Rights excepted and reserved**
- 4.1 The following rights are excepted and reserved from this lease to the Landlord and the Superior Landlord (the Reservations):
- (a) rights of light, air, support and protection as 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, but not forming part of, the Property; the right to install and construct Service Media at the Property to serve any part of the Building or any other property (whether or not such Service Media also serve the Property) and to

connect into and use such Service Media; and the right to re-route any Service Media mentioned in this paragraph;

- (c) the right to enter the Property for any purpose mentioned in this lease or connected with it or with the Landlord's interest in the Building or any other property or to carry out any works to any other part of the Building, at any reasonable time after having given reasonable notice to the Tenant (and the notice need not be in writing and need not be given in the case of an emergency);
 - (d) the right to enter the Property for any purpose in connection with this lease or the Superior Lease.
- 4.2 The Reservations may be exercised by the Superior Landlord, the Landlord and by anyone else who is or becomes entitled to exercise them and by anyone authorised by the Superior Landlord or the Landlord.
- 4.3 The Landlord and Superior Landlord shall not be liable for any loss or inconvenience to the Tenant by reason of the exercise of any of the Reservations (other than any loss or inconvenience in respect of which the law prevents the Landlord or Superior Landlord excluding liability).

5. The Annual Rent and other payments

- 5.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by equal monthly instalments in advance on the [] day of each month.
- 5.2 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 from the date of this lease until the day before the next rent payment date.
- 5.3 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications and other services and utilities to or from the Property. If any such costs are charged in respect of the Property together with other property (including the remainder or any other part of the Building), the Tenant shall pay a fair proportion (determined conclusively by the Landlord) of the total.
- 5.4 The Tenant shall pay all rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:
- (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.

If any such rates, taxes or other impositions are payable in respect of the Property together with other property (including the remainder or any other part of the Building) the Tenant shall pay a fair proportion (determined conclusively by the Landlord) of the total.

- 5.5 All sums payable by the Tenant are exclusive of any VAT that may be chargeable and the Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease. Every obligation on the Tenant under or in connection with this lease to pay, refund or to indemnify the Landlord or any other person any money or against any liability includes an obligation to pay, refund or indemnify against any VAT, or an amount equal to any VAT, chargeable in respect of it.
- 5.6 The Tenant shall pay the costs and expenses (assessed on a full indemnity basis) of the Landlord, including any solicitors' or other professionals' costs and expenses and whether incurred during or after the end of the Term, in connection with or in contemplation of the enforcement of the tenant

covenants of this lease and with any consent applied for in connection with this lease and in preparing and 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.

- 5.7 If any Annual Rent or any other money payable under this lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Interest Rate on that amount for the period from the due date to and including the date of payment.
- 5.8 The Annual Rent and all other money due under this lease are to be paid by the Tenant without deduction, counterclaim or set-off.

6. Insurance

- 6.1 The Landlord shall use its reasonable endeavours to procure that the Superior Landlord complies with the covenants imposed on it regarding insurance contained in the Superior Lease save to the extent that the policy of insurance has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant or its workers, contractors or agents or any person on the Property with the actual or implied authority of any of them. Neither the Superior Landlord nor the Landlord shall be obliged to insure any part of the Property installed by the Tenant.

- 6.2 The Tenant shall pay on demand a fair proportion of the cost payable by the Landlord to the Superior Landlord under the Superior Lease for the insurance premium for the Building and for loss of the Annual Rent (and any insurance premium tax in relation to that amount).

- 6.3 If the Building is damaged or destroyed by a risk against which the Superior Landlord has insured so as to make the Property unfit for occupation and use, and the Building has not been repaired so as to make the Property fit for occupation and use within 12 months of it having been damaged or destroyed, then the Landlord may determine this lease by giving notice to the Tenant.

- 6.4 If the Building is damaged or destroyed by a risk against which the Superior Landlord has insured so as to make the Property unfit for occupation and use, then provided that:

- (a) the insurance policy has not been vitiated in whole or part by any act or omission of the Tenant or any person at the Building with the actual or implied authority of the Tenant; and
- (b) the Building has not been repaired so as to make the Property fit for occupation and use within 12 months of it having been damaged or destroyed,

the Tenant may determine this lease by giving notice to the Landlord.

- 6.5 In any case where the Tenant is able to terminate this lease pursuant to this clause (or would be able to if the period of months mentioned in clause 6.4(b) had ended), then:

- (a) payment of the Annual Rent (or a fair proportion of it according to the nature and extent of the damage)], shall be suspended; and
- (b) the Tenant shall not be liable to carry out any works of repair to the Property

until the Building has been repaired so as to make the Property fit for occupation and use or, if earlier, this lease is terminated.

- 6.6 If this lease is terminated pursuant to this clause, then the termination shall be without prejudice to any right or remedy of the Landlord in respect of any antecedent breach of the tenant covenants of this lease.

6.7 Nothing in this clause shall oblige the Landlord to repair the Building.

7. Prohibition of dealings

The Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or assign, part with or share any of the benefits or burdens of this lease, or in any interest derived from it, whether by a virtual assignment or other similar arrangement or hold the lease on trust for any person (except by reason only of joint legal ownership), nor grant any right or licence over the Property in favour of any third party.

8. Repairs and decoration

8.1 The Tenant shall keep the Property clean and tidy, including cleaning the inside and outside of the windows at the Property.

8.2 The Tenant shall replace any plate glass or other window glass that becomes cracked or broken.

8.3 The Tenant shall decorate the Property in the last three months before the end of the Term to the satisfaction of the Landlord and using materials and colours approved by the Landlord.

8.4 The Tenant shall keep the Property in good and substantial repair, but shall not be obliged under this clause 8.4 to carry out any repairs where the disrepair results from any risk against which the Superior Landlord has insured (provided that the Tenant, or any person at the Building with the actual or implied authority of the Tenant, has not vitiated the Superior Landlord's insurance policy).

9. Alterations and signs

9.1 The Tenant shall not make any alteration to the Property (including any Service Media forming part of the Property).

9.2 The Tenant shall not attach any sign, poster or advertisement to the Property so as to be seen from the outside of the Building.

10. Breach of repair and maintenance obligations

The Landlord and/or Superior Landlord may enter the Property to inspect its condition and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition of the Property. The Tenant shall carry out and complete any works needed to remedy that breach within the time reasonably required by the Landlord and/or Superior Landlord, in default of which the Landlord and/or Superior Landlord may enter the Property and carry out the works needed. The costs incurred by the Landlord and/or Superior 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 or Superior Landlord as the case may be and payable on demand.

11. Use

11.1 The Tenant shall not use the Property for any purpose except the Permitted Use.

11.2 The Tenant shall not place or keep any items on any external part of the Property (whether or not such items are for sale).

11.3 The Tenant shall not leave any refuse outside the Property except at such times and in such manner as accord with the arrangements for the collection of refuse from the Property by the local authority or in accordance with such regulations for the disposal of waste the Landlord shall impose from time to time.

11.5 The Tenant shall not use the Property, nor exercise the Rights:

(a) for any illegal purpose; nor

- (b) for any purpose or in a manner that would cause any loss, nuisance or inconvenience to the Landlord or the Superior Landlord, the other tenants or occupiers of the Building or any owner or occupier of any other property; nor
 - (c) in any way that would vitiate the Superior Landlord's insurance of the Building in whole or in part or cause additional insurance premiums to be payable; nor
 - (d) in a manner that interferes with any right subject to which this lease is granted.
 - (e) for the storage of any dangerous or flammable substances.
- 11.6 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.
- 11.7 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of the Property and/or Building.
- 12. Compliance with laws**
The Tenant shall comply with all laws relating to the Property and the occupation and use of the Property by the Tenant, to the use of all Service Media and machinery and equipment at or serving the Property, and to all materials kept at or disposed from the Property.
- 13. Superior Lease**
The Tenant shall observe and perform the tenant covenants in the Superior Lease (insofar as they relate to the Property and the rights granted to the Tenant), except the covenant to pay the rents reserved by the Superior Lease. The Tenant must not do omit or suffer or permit in relation to the Building any act or thing that would or might be inconsistent with or cause the Landlord to be in breach of the Superior Lease
- 14. Returning the Property to the Landlord**
- 14.1 At the end of the Term the Tenant shall return the Property to the Landlord in the condition required by this lease and shall remove from the Property all stock and chattels belonging to or used by it.
- 14.2 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any stock, chattels, fittings 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.
- 15. Indemnity**
The Tenant shall keep the Landlord and Superior Landlord indemnified against all expenses, costs, claims, damage and loss arising from any breach of any tenant covenant in this lease, or from any act, omission or negligence of the Tenant or any person on the Property or the Building with its actual or implied authority.
- 16. Landlord's covenant for quiet enjoyment**
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.

17. Re-entry and forfeiture

17.1 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; or
- (b) any breach of any condition or tenant covenant of this lease.

17.2 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 antecedent breach of the tenant covenants of this lease.

18. Liability

18.1 The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and Superior Landlord and the obligations of the Landlord are owed to the Tenant.

18.2 The obligations of the Tenant arising by virtue of this lease are joint and several obligations. The Landlord may release or compromise the liability of any one of the persons making up the Tenant or grant any time or concession to any one of them without affecting the liability of any other of them.

19. Break Option

If the Landlord wishes to determine this lease at any time and gives the Tenant not less than 3 months' notice of that wish, then upon expiry of such notice, the Term is to cease and determine, but without prejudice to any rights or remedies that have accrued to either party.

20. Notices

20.1 Except in a case of emergency, any notice given pursuant to this lease shall, unless otherwise stated, be in writing, and writing includes faxes but does not include email.

20.2 Within five working days after receipt of any notice or other communication affecting the Property or the Building the Tenant shall send a copy of the relevant document to the Landlord.

21. Entire agreement and exclusion of representations

21.1 This lease constitutes the entire agreement and understanding of the Landlord and the Tenant relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement or understanding between them relating to it.

21.2 The Tenant acknowledges that in entering into this lease it has not relied on, nor shall it have any remedy in respect of, any statement or representation made by or on behalf of the Landlord or Superior Landlord.

21.3 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.

21.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

22. Miscellaneous

22.1 The parties confirm that:

On [] the Landlord served notice on the Tenant pursuant to the provisions of the Landlord and Tenant Act 1954 Section 38A(3) as inserted by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 relating to the tenancy to be entered into by the Tenant

pursuant to this Lease and on [] the Tenant made a [simple] [statutory] declaration pursuant to schedule 2 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003

22.2 Agreement to exclude

Pursuant to the provisions of the Landlord and Tenant Act 1954 Section 38A(1) as inserted by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003, the parties agree that the provisions of the Landlord and Tenant Act 1954 Sections 24 – 28 inclusive are to be excluded in relation to the tenancy to be entered into by the Tenant pursuant to this Lease

- 23. A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999
- 24. This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

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

Executed as a deed by
**CHURCHFILED HOUSE
LIMITED**
acting by two directors
or one director and its secretary

.....
Director
.....
Director / Secretary

Executed as a deed by the
Tenant in the presence of;