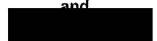
DATED 12/05/ 2008

# BIRCHANGER HALL FARMS LIMITED



Counterpart/

LEASE

relating to the Unit and Office at Duck End Birchanger Hertfordshire CM23 5QS

STANLEY TEE SOLICITORS BISHOP'S STORTFORD REF: GB/DWM

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This lease is dated

**Parties** 

BIRCHANGER HALL FARMS LIMITED (Co. Reg. No. 03164604) whose registered office is

(Landlord)

of The Office Duck End Birchanger

Hertfordshire CM23 5QS (Tenant)

Agreed terms

# 1. INTERPRETATION

1.1 The definitions and rules of interpretation set out in this clause apply to this lease.

Annual Rent: rent at the rate of per annum.

**Building:** The building known as the Unit at Duck End Birchanger Hertfordshire CM23 5QS edged red on the Plan and the office at Duck End Birchanger Hertfordshire edged red and hatched green on the Plan

**Common Parts:** the access way and turning area leading to the Building and to the car parking spaces to and from the public highway hatched brown on the Plan

Parking Area: the area shown hatched blue on the Plan

Interest Rate: 4% points above the Bank of England's base rate

**Permitted Use:** use within class B1 of the Town and Country Planning (Use Classes) Order 1987 with ancillary storage.

Plan: the plan annexed hereto

**Planning Acts:** means the Act or Acts for the time being in force relating to town and country planning

**Property:** the interior of the Building, bounded by and including the internal wall and ceiling finishes and floor coverings of that part and the doors and windows and window frames in those walls and the glass therein, but excluding all Service Media which are within that part but which do not serve it exclusively and excluding any load bearing or structural part.

Rent Commencement Date: the date hereof

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

Term: a term of three years beginning on, and including the date hereof.

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

1954 Act: Landlord and Tenant Act 1954.

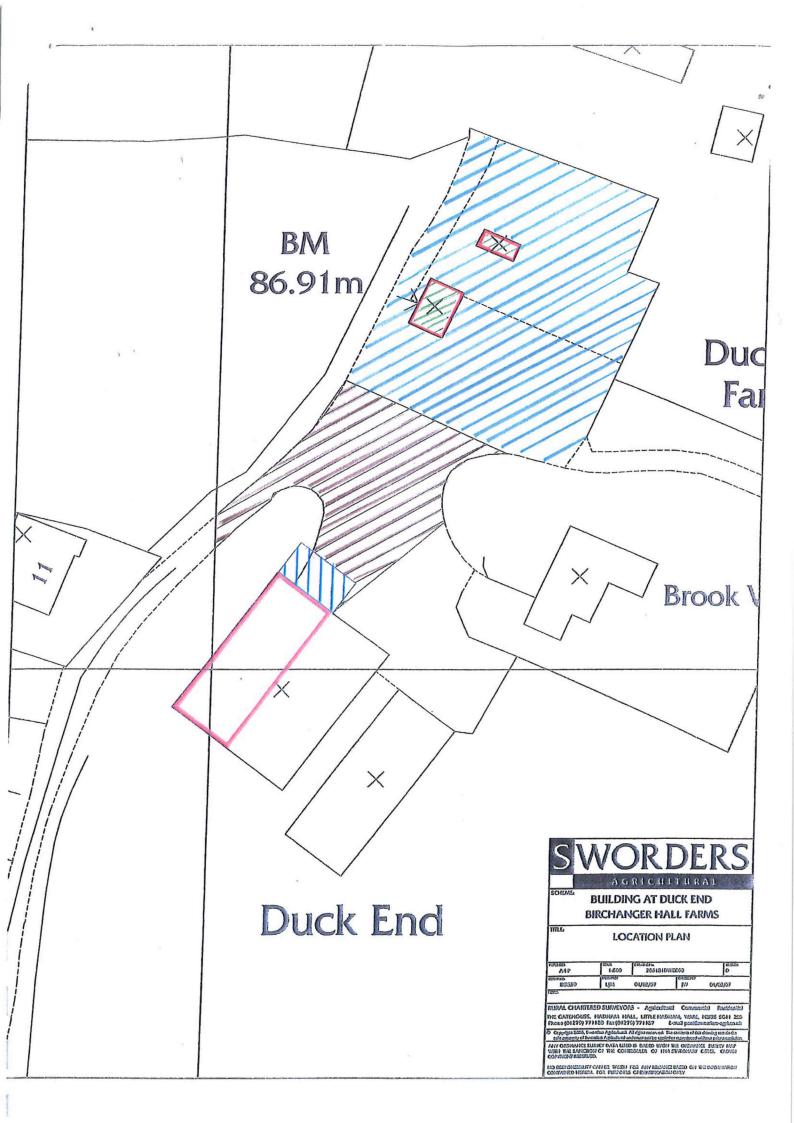
- 1.2 A reference to this **lease**, except a reference to the date of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease.
- 1.4 Unless the context otherwise requires, references to the Building, the Common Parts and the Property are to the whole and any part of them or it.
- 1.5 A reference to the **end of the Term** is to the end of the Term however it ends.
- 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 reenactment 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.

#### 2. GRANT

- 2.1 The Landlord 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 the rights set out in clause 4
- 2.3 The grant is made with the Tenant paying to the Landlord as rent, the Annual Rent and any 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 and any other person authorised by the Landlord:



- (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:
- (b) the right to use the Common Parts for the purposes of access to and egress from the Property subject to the right for the Landlord to:
  - (I) deal with or dispose of the Common Parts in such manner as the Landlord may in it's absolute discretion desire;
  - (ii) carry out any work or do any act or thing to or with the Common Parts as the Landlord may in it's absolute discretion desire; and
  - (iii) vary the route of the Common Parts to such position as the Landlord may reasonably designate

provided always that the Landlord shall in exercising such rights at all times preserve and maintain means of continuous access to and egress from the Property and the parking areas for the benefit of the Tenant in order that there shall be no material disruption to the Tenant's ordinary conduct of their business as carried on at and from the Property

- (c) the right to park private cars or light vehicles belonging to the Tenant its employers and visitors in the Parking Area;
- (d) the right to use and to connect into any Service Media at the Building and serve the Property which are in existence at the date of this lease subject to the right for the Landlord to re-position or vary the route of any such Service Media provided always that the Landlord shall in exercising such rights at all times preserve and maintain continuous use as defined in this clause through the Service Media to and from the Property for the benefit of the Tenant in order that there shall be no material disruption to the Tenant's ordinary conduct of their business as carried in at and from the Property.
- (e) The right to have the Tenant's details included on any common directory board to be provided by the Landlord on the Common Parts
- 3.2 In relation to the Right mentioned in clause 3.1(e) the 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 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 10.2;
  - (b) in accordance with any regulations made by the Landlord as mentioned in clause 10.5; and
  - (c) in accordance with all relevant laws.

3.4 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over the Common Parts or 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 the Common Parts or 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.

Immediately after the end of the Term (and notwithstanding that the Term has ended), the Tenant shall make an application to remove all entries on the Landlord's title relating to the easements granted by this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

# 4. RIGHTS EXCEPTED AND RESERVED

- 4.1 The following rights are excepted and reserved from this lease to the Landlord (the **Reservations**)
  - rights of light and air 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 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 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); and
  - (d) the right to develop land other than the Building, whether or not such land is owned by the Landlord.
  - (e) The rights referred to in clauses 3.1(b) and (e) subject to the provisos therein contained
  - 4.2 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.
  - 4.3 The 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 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 or before the sixth day of each month of the Term the first payment (or if appropriate an apportioned amount) to be paid on the date hereof
- 5.2 The Tenant shall pay to the relevant supplier or reimburse to the Landlord (as appropriate) all costs in connection with the supply and removal of sewage, water electricity telecommunications and data and other services and utilities to or from the Property.
- 5.3 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) 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.

- 5.4 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.
- 5.5 The Tenant shall pay the proper 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.
- 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.
- 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 keep the Building (other than any plate glass) insured against loss or damage by fire and such other risks as the Landlord considers it prudent

to insure against, provided that such insurance is available in the market on reasonable terms acceptable to the Landlord. The Landlord shall inform the Tenant of relevant terms of its insurance policy.

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

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

- 6.4 If the Building is destroyed or damaged by a risk against which the Landlord is not obliged to insure pursuant to clause 6.1, so as to make the Property unfit for occupation and use, and the Landlord has not repaired the Building so as to make the Property fit for occupation and use within twelve months of the damage or destruction then the Landlord or the Tenant may terminate this lease by giving notice to the other.
- 6.5 In any case where the Tenant would be able to terminate this lease pursuant to this clause (or would be able to if the period of six months mentioned in clause 15 had ended), then 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 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 The Landlord shall use all reasonable endeavours to ensure that any repairs necessitated by a risk against which the Landlord has insured are carried out promptly.
- 6.8 The Tenant shall reimburse to the Landlord within 14 days of demand the cost to the Landlord of insuring the Building as aforesaid

- 6.9 The Tenant shall at all times during the Term carry public liability insurance cover to a value of £1,000,000 appropriate to the Permitted Use.
- 6.10 The Tenant shall keep its fixtures, fittings and contents insured against loss and provide evidence of such insurance to the Landlord on request.

# 7. SERVICES

- 7.1 The Landlord shall use its reasonable endeavours:
- (a) to keep the Common Parts clean and tidy;
- (b) keep the exterior and structure of the Building in good and tenantable repair;
- 7.2 The Landlord shall not be liable for any loss or inconvenience arising from any failure or interruption of any service mentioned in clause 7.1 (or any other service provided by the Landlord) due to the carrying out of any necessary repairs or servicing nor due to any act or omission that is beyond the reasonable control of the Landlord (other than any loss or inconvenience in respect of which the law prevents the Landlord excluding liability).

# 8. 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 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.

# 9. REPAIRS, DECORATION, ALTERATIONS AND SIGNS

- 9.1 The Tenant shall keep the Property in good and tenantable repair and renew any Landlord's fixtures and fittings as required from time to time provided that the Tenant shall not be obliged to put the Property in any better state or condition then evidenced by the schedule of condition annexed hereto.
- 9.2 The Tenant shall keep the Property clean and tidy, including cleaning the inside and outside of the windows at the Property, and shall make good any damage caused to the Property by any act or omission of the Tenant or any person under the control of the Tenant.
- 9.3 The Tenant shall replace any plate glass or window glass that becomes cracked or broken.
- 9.4 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.
- 9.5 Subject to clause 9.7, the Tenant shall not make any alteration to the Property

- 9.6 The Tenant shall not make any non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed and, if the Landlord so requires to remove at the Tenant's expense any such alteration (for the avoidance of doubt including the works referred to in clause 9.11) and to reinstate the Property to its former condition at the expiration or sooner determination of the Term and to make good any damage to the Property and the Building caused by any such installation or removal
- 9.7 The Tenant shall not install, nor alter the route of, any Service Media at and forming part of the Property without the consent of the Landlord, such consent not to be unreasonably withheld
- 9.8 The Tenant shall not attach any sign, poster or advertisement to the Property so as to be seen from the outside of the Building except a sign stating the name of the Tenant to be inserted into a name plaque to be provided by the Landlord at the entrance to the Building
- 9.9 The Landlord or his authorised agent 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 60 days from the date of the notice, in default of which the Landlord may enter the Property and carry out the works needed. 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.

# 10. USE

- 10.1 The Tenant shall not use the Property for any purpose except the Permitted Use and shall not use or allow to be used or allow to remain any vehicles other than private cars or light vans on the Property or the Common Parts between the hours of 7.00 pm and 7.00 am.
- 10.2 The Tenant shall not use the Property nor exercise any of the Rights:
  - (a) for any illegal purpose; nor
  - (b) for any purpose in a manner that would cause any loss, nuisance or inconvenience to the 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 Landlord's insurance of the Building; nor
  - (d) in a manner that would interfere with any right subject to which this lease is granted.

# 10.3 The Tenant shall not

(a) commit or carry out any noisy, noxious, dangerous or offensive act on the Property or Common Parts; nor

- (b) permit empty containers, waste or rubbish of any description to accumulate on the Property or the Common Parts; nor
- (c) install any heavy or vibrating machinery in the premises nor to cause any undue stress or strain on the floors or structure of the Property; nor
- (d) overload, obstruct or pollute conduits, ground water or any structural part of the Building nor any Service Media at or serving the Property; nor
- (e) cause noise or nuisance to occupiers of adjoining or nearby premises or dwellings
- (f) use quantities of water for washing vehicles that will detriment the stability and drainage of the site compound
- , (g) to pollute ground water
- 10.4 The Tenant shall comply with all laws relating to:
  - (a) the Property and the occupation and use of the Property by the Tenant;
  - the use of all Service Media and machinery and equipment at or serving the Property; and
  - (c) all materials kept at or disposed from the Property.
- 10.5 The Tenant shall observe all regulations made from time to time by the Landlord in accordance with the principles of good estate management relating to the use of the Common Parts and the management of the Building.
- 10.6 The Tenant shall supply the Landlord with written notice of the name, home address and home telephone number of at least one key holder of the Property at all times throughout the Term.

#### 11. OBSTRUCTIONS AND ENCROACHMENTS

The Tenant shall not obstruct or permit or suffer to be obstructed any of the windows or lights or access or conduit belonging to the Property or Common Parts nor to permit or suffer any encroachment or easement to be made into against or over the Property or any part thereof.

#### 12. PLANNING

- 12.1 The Tenant shall within seven days of receipt of any notice order requisition direction or plan given made or issued to or by a competent authority affecting the Property or the occupation or the user thereof to supply a copy thereof to the Landlord and to make or join in making such objection or representations against or in respect thereof as the Landlord may reasonably require.
- 12.2 The Tenant shall in every respect comply with the provisions of the Planning Acts or the requirements of any competent authority in respect of the Property or any part thereof or in respect of the occupation or user thereof and to indemnify the Landlord against all claims demands expenses and liability in respect thereof and

to pay all costs charges and expenses incurred by the Landlord in connection with any such provision or requirement.

#### 13. RE-LETTING OR SALE

- 13.1 The Tenant shall permit the Landlord during the Term to affix and retain without interference upon any suitable and conspicuous part of the Property (but not so as materially to affect the access of light and air to the Property) a notice for letting the same (if the termination of the Term is a prospective possibility) or selling the Landlord's interest in the Property or any part or parts thereof
- The Tenant shall permit the Landlord or any persons authorised by the Landlord at any time on reasonable notice to view the Property during the last six months of the Term in connection with re-letting and at any time in connection with a sale of the Property.

# 14. MUTUAL BREAK CLAUSE

- 14.1 Either party may determine this lease by giving to the other not less than three month's written notice at any time during the Term if the Local Authority serve on the tenant an enforcement notice requiring them to stop the current use of the Property and then on the expiration of the notice the Term shall absolutely cease and determine but without prejudice to any right of actions which may have accrued to either party prior to the date of such expiration and in the event that the Landlord exercises this clause they will refund the unexpired proportion of any rent sums paid up
- 14.2 In the event that the Local Authority does seek to force the Tenant's use of the property to cease, before exercising the break clause the Tenant (if the Landlord deems it appropriate to do so at the time) will assist the Landlord in making any application necessary to attempt to preserve their use of the building as far as is reasonably practicable
- 14.3 If either party determines this lease in accordance with 14.1 or the application detained in 14.2 is unsuccessful the Landlord will offer the Tenant a new lease of the Office on the same terms of this lease save the annual rent being £5,000 and to expire on the same date as this lease.

# 15. RETURNING THE PROPERTY TO THE LANDLORD

- 15.1 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 chattels belonging to or used by it.
- 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.

# 16. INDEMNITY

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss arising the Tenant's use of the Building or from any breach of any tenant covenant in this lease, or from any act or omission of the Tenant or any person on the Property or the Common Parts with its actual or implied authority.

# 17. 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 lawful interruption by the Landlord or any person claiming under the Landlord.

#### 18. DEPOSIT

The Tenant shall on or before the date hereof deposit with Sworder's Agricultural the sum of as security for the Tenants obligations contained herein and which the Landlord shall hold on trust first for the payment of any arrears of rent or other payments due hereunder or in respect of any breach of the Tenants covenants herein contained Provided always that any part of the said sum not expended as aforesaid shall be returned to the Tenant without interest on the expiration or sooner determination of the said Term

# 19. CONDITION FOR RE-ENTRY

- 19.1 The Landlord may re-enter the Property at any time after any of the following occurs:
  - (a) any rent is unpaid 21 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; or
  - (c) liquidation, administrative receivership or bankruptcy of the Tenant
- 19.2 If the Landlord re-enters the Property 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.

# 20. LIABILITY

The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant and obligations given by more than one person are given jointly and severally.

# 21. NOTICES

- 21.1 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.
- 21.2 Within fourteen days after receipt of any notice or other communication affecting the Property or the Building the Tenant shall send the original of the relevant document to the Landlord.
- 21.3 The Tenant shall promptly notify the Landlord of any defect or default of which they become aware and which may give rise to any duty or liability for the Landlord

# 22. DISPUTES

In the event of any dispute arising under the terms of this lease, the same will be referred for a decision to a single independent expert to be appointed by agreement of the parties or in the absence of agreement, by the president of the Royal Institution of Chartered Surveyors.

# 23. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

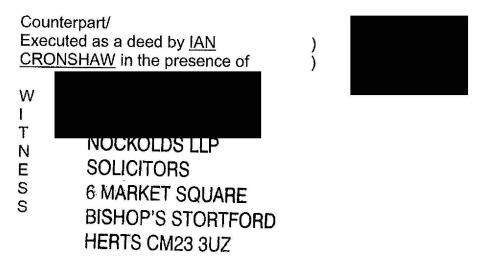
- 23.1 This lease constitutes the entire agreement and understanding of the Landlord and the Tenant relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement or understanding between them relating to it.
- 23.2 The Tenant acknowledges that in entering into 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.
- 23.3 Nothing in this lease or any consent granted by the Landlord under the Lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.
- 23.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

#### 24. MISCELLANEOUS

- 24.1 The parties confirm that:
  - (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the 1954 Act, applying to the tenancy created by this lease before this lease was entered into;
  - (b) [ ] who was duly authorised by the Tenant to do so] made a statutory declaration dated [ ] in accordance with the requirements of section 38A(3)(b) of the 1954 Act; and
  - (c) there is no agreement for lease to which this lease gives effect.

- 24.2 The parties agree that the provisions of sections 24 to 28 of the 1954 Act are excluded in relation to the tenancy created by this lease.
- 24.3 A person who is not a party to this lease shall not have any rights under or in connection with this lease by virtue of the Contracts (Rights of Third Parties) Act 1999.
- 24.4 This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

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



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