Copy

Farm Business Tenancy (Short Form – 2 years or less)

LANDLORD: HOMES & COMMUNITIES AGENCY

TENANT:

HOLDING: LAND AT LORD MAYOR TRELOARS HOSPITAL

TENANCY AGREEMENT

Date	44	LOVEMBER 2015
1	DEFINITIONS	
1.1	The Landlord	The Homes and Communities Agency of Arpley House, 110 Birchwood Boulevard, Birchwood, Warrington, WA3 7QH
1.2	The Tenant	of
1.3	The Holding	The property known as Land at Lord Mayor Treloars Hospital extending to 34.57 acres (13.99 ha) or thereabouts shown for identification purposes only edged in red on the attached plan number SXC869.
1.4	The Term	A term of one year starting on the Start Date and expiring on 28 th September 2016.
1.5	Start Date	29th September 2015
1.6	Rent	plus VAT per annum payable by two equal instalments in advance on the Rent Days by standing order
1.7	Rent Days	and in each year of the Term.
1.8	Interest Rate	4% above the base rate of Barclays Bank Plc
1.9	Milk Quota	Not applicable
1.10	Entitlements	The Holding's Basic Payment Entitlements as defined in Schedule 3
1.11	Use	The trade or business of growing arable crops or livestock farming.
1.12	Part Termination Limit	Any part of the Holding subject to two months notice.

- 1.13 Part Termination purpose Any purpose
- 1.14 In this agreement except where specially defined in this clause or in Schedule 2 the words and phrases used have the meaning given to them by the Act

2 LETTING

The Landlord lets the Holding to the Tenant for the Term SUBJECT to such title matters and third party rights as affect the Holding

EXCEPTING AND RESERVING from the Tenancy to the Landlord

- (a) The right for the Landlord and all persons authorised by him with or without vehicles animals machinery and plant to enter on any part of the Holding at all reasonable times for the purposes set out below and for all other reasonable purposes
- (b) All mines minerals including all substances in or under the Holding of a kind ordinarily worked or removed by underground or surface working with power to search for win dress and make merchantable and carry them away from the Holding and from neighbouring land over the Holding and to execute all incidental works including the right to let down the surface of the land the Tenant being paid reasonable compensation for all damage thereby caused by the exercise of such rights
- (c) The right to take water from any source of water supply on the Holding provided sufficient water is left for the Tenant to farm in accordance with this agreement
- (d) The right to grant rights to third parties over the Holding subject to the payment of reasonable compensation for damage but retaining for the Landlord the full benefit of any payments made for those rights or any existing rights
- (e) All timber and other trees (except fruit trees), saplings, pollards and underwood with the right to inspect mark fell cut replant and carry them away from the Holding and from neighbouring land over the Holding without making any payment to the Tenant for the use
- (f) All game, deer, wildfowl, woodcock, snipe and other wild birds listed in the Wildlife and Countryside Act 1981 Schedule 2 their nests and eggs

and all fish together with the exclusive right for the Landlord and all persons authorised by him to go upon the Holding to rear preserve shoot kill and take them away and to shoot hunt hawk sport and fish (and to carry out normal associated activities) on or over the Holding

- (g) The right for the Landlord and all persons authorised by him jointly with the Tenant to kill shoot and take away rabbits hares pigeons or any other pests
- (h) The right to use lay repair connect to and renew existing or new pipes drains conduits cables wires or other works the Tenant being paid reasonable compensation for all damage caused to him by the exercise of such rights
- (i) The right to inspect and record the condition of the Holding or any adjoining property and to carry out any repairs to the Holding in accordance with the terms of this agreement
- (j) All rights of way (if any) enjoyed across the Holding for the benefit of other property of the Landlord
- (k) Subject to the rights of the Crown, all valuables antiquities and archaeological specimens found on or in any part of the Holding

3 TENANT'S AGREEMENTS

The Tenant agrees with the Landlord as follows

3.1 Rent

To pay the Rent without set-off or deductions on the Rent Days and in the manner required by this agreement (whether demanded or not) and the Insurance Rent as rent on demand

3.2 VAT

To pay all Value Added Tax which may be payable on any taxable supply made to the Tenant in relation to this agreement or on any payment by the Landlord which the Tenant is required to reimburse to the Landlord

3.3 Interest

To pay interest at the Interest Rate on all sums due by the Tenant to the Landlord under this agreement for the period from the due date to the date of actual payment

3.4 Outgoings

To pay rates taxes and outgoings relating to the Holding during the Term

3.5 Maintenance and repair

- 3.5.1 At all times to put keep and maintain the Holding in good repair and condition and the land in good heart throughout the term of the tenancy
- 3.5.2 To keep the Holding (where appropriate) neat and tidy and all fixtures and fittings in good repair and condition (whether belonging to the Landlord or the Tenant) on it or on any other property but serving the Holding
- 3.5.3 To keep clear and free from obstruction all land drains and ditches on the Holding
- 3.5.4 To keep all boundary features on the Holding in good repair and (in the case of hedges) reasonably cut back
- 3.5.5 To pay to the Landlord on demand an appropriate proportion of the costs from time to time incurred by the Landlord in the maintenance and repair of any items used in common with any adjoining or neighbouring property
- 3.5.6 To make good any disrepair for which the Tenant is liable within two months after the date of written notice from the Landlord (or sooner if the Landlord reasonably requires) and if the Tenant fails to comply with any such notice to permit the Landlord to enter and carry out the work, the cost of which shall be reimbursed by the Tenant on demand as a debt

3.6 Insurance

To maintain public liability insurance in respect of his business assets and activities on the Holding

3.7 Use and management

- (a) Throughout the Term personally to farm the Holding as a trade or business for the Use only
- (b) To keep the Holding free from weeds and pests and to farm the Holding in accordance with the rules of good husbandry as defined in the Agriculture Act 1947 and not merely to keep the Holding in good agricultural and environmental condition
- (c) Before the end of the Term to spread all manure slurry and compost on the Holding
- (d) Not to break up or convert into arable any part of the Holding shown in Schedule 1 as permanent pasture and not to remove from the Holding any turf or top soil and to maintain all public rights of way
- (e) Not to deposit any refuse waste redundant material or redundant machinery of any kind on the Holding
- (f) To take all reasonable steps to prevent trespass on the Holding and to prevent any new public or private rights from being acquired over the Holding and to notify the Landlord in writing of any encroachment or trespass on the Holding
- (g) Not to do or suffer to be done on the Holding anything which may be or become a nuisance or annoyance to the Landlord or other occupiers of neighbouring land
- (h) Not to commit any wiifui or voluntary waste on all or any part of the Holding or to remove or alter any fence hedge or other boundary feature
- (i) Not to cut down or injure any trees growing on the Holding and to protect all trees from damage by animals
- (j) To inspect the trees on the Holding regularly and to give written notice to the Landlord of any dead or potentially dangerous trees on the Holding
- (k) Not to put the Holding down to crops of more than 2 years duration
- (I) At all times personally to reside in the farmhouse on the Holding (if any)
- (m) Not to use or permit the Holding to be used for camping or parking of vehicles or caravans or for the purpose of auctions, sales, fairs,

festivals, contests, rallies, competitions or any form of public gathering or for commercial photography or film

 (n) To take all reasonable steps to preserve and prevent the destruction of all wild birds included in the Wildlife and Countryside Act 1981 Schedule 2 (including their nests and eggs)

3.8 <u>Information</u>

- (a) To supply free of charge to the Landlord a copy of all documents submitted during the Term in respect of the Holding which the Tenant completes pursuant to any Enactment or in respect of Entitlements or Milk Quota or as part of an application for any type of Payment Rights at the time the document is completed
- (b) To supply free of charge to the Landlord a copy of any charge over the Tenant's business assets at the time the charge is completed
- (c) To supply immediately on receipt to the Landlord a copy of any notice or proceedings served upon the Tenant concerning the Holding

3.9 <u>Legislation</u>

At the Tenant's own expense to do everything in relation to the Holding or its use which is required to comply with any Legal Obligations

3.10 Alienation

Not to assign, sublet, charge, part with or share possession or occupation of the Holding nor to enter into any contract or share farming agreement in relation to the Holding nor have on the Holding third party livestock

3.11 <u>Alterations and improvements</u>

Not to alter, remove or make additions to any building or other item of fixed equipment or erect any new buildings or other item of fixed equipment or apply for planning permission or make any other improvements (with the exception of routine improvements) to the Holding without the prior written consent of the Landlord

3.12 Schemes

Not without the prior written consent of the Landlord to enter into any grant scheme management agreement or other arrangement under which the use and/or management of the Holding is restricted

3.13 <u>Licenses and Authorisations</u>

During the Tenancy to preserve any existing licence or authorisation or any new licence or authorisation granted for the Holding relating to water supply or any other matter under any Enactment and on termination of the Term to transfer any such licence and/ or authorisation to the Landlord or at his direction

3.14 Death of Tenant

If the Tenant or any of them dies during the Tenancy his executors or administrators or other person or persons in whom any interest in the Tenancy is vested immediately after his death shall within one month of his death give notice in writing to the Landlord of such death and its date

3.15 <u>Yield up</u>

On termination of this agreement to hand back the Holding to the Landlord with vacant possession in a state of repair and condition which is consistent with the proper performance of the Tenant's obligations in this agreement

3.16 Indemnity

- 3.16.1 Not to do or omit to do on or near the Holding any act or thing which may render the Landlord liable to pay any penalty damages compensation costs charges or expenses or to carry out any work of whatever nature
- 3.16.2 At all times to keep the Landlord fully indemnified against all losses claims actions and liabilities arising (whether directly or indirectly) as a result of any act or default of the Tenant

3.17 <u>Dilapidations Notice</u>

To pay to the Landlord on an indemnity basis all expenses incurred by the Landlord in the preparation and service of a notice under section 146 of the Law of Property Act 1925 or in relation to proceedings under section 146 or

147 of that Act notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court

3.18 Health and Safety

- 3.18.1 To obtain all consents and approvals as may be required from the relevant authorities and any interested parties including but without limitation the Health and Safety Executive and Environmental Health
- 3.18.2 Without prejudice to the following provisions the Tenant shall be responsible for all health and safety, welfare, environmental and security issues arising from the use of the Holding during the Term
- 3.18.3 The Tenant shall notify the Landlord's Health and Safety Manager immediately on the occurrence of any of the following events which arise out of or in connection with the grant of this tenancy:
 - (a) A fatal accident to any worker or a member of the public;
 - (b) Any injury to a member of the public requiring reporting under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (as amended from time to time) ("RIDDOR");
 - (c) Any dangerous occurrence, as defined by RIDDOR;
 - (d) The service of any improvement or prohibition notice under the Health and Safety at Work etc Act 1974;
 - (e) Any incident having health and safety implications which attracts the attention of the police and/or the media;
 - (f) The commencement of any criminal prosecution under the Health and Safety at Work etc Act 1974

4 LANDLORD'S AGREEMENTS

The Landlord agrees with the Tenant as follows:

4.1 Quiet enjoyment

If the Tenant observes and performs the Tenant's agreements and obligations in this agreement the Tenant may peaceably hold and enjoy the Holding

during the Term without any unlawful interruption or disturbance from or by the Landlord or any person claiming through under or in trust for the Landlord

5 ENTITLEMENTS, PAYMENT RIGHTS

5.1 Entitlements

The Tenant covenants with the Landlord to comply with the provisions set out in Schedule

5.2 Payment Rights

The Tenant agrees:

- (a) Not to do or omit to do anything which might prejudice the allocation of Payment Rights to the Landlord or any previous or future occupier of the Holding or any part of it
- (b) To take all necessary steps to maximise the allocation of any Payment Rights to the Tenant during the Term which relates to or derives from his occupation of the Holding or any part of it
- (c) On termination of the Tenancy to take all necessary steps to transfer such Payment Rights to the Landlord or as the Landlord shall direct
- (d) Not to make a claim in respect of Payment Rights allocated or transferred to the Landlord or any previous or future occupier of the Holding or any part of it

6 TERMINATION OF TENANCY

6.1 The Landlord and the Tenant agree:

- (a) The Landlord shall be entitled on the death of the Tenant (or in the case of more than one joint tenant on the death of any of them) to terminate this agreement by serving Notice on his personal representatives
- (b) The Landlord shall be entitled (in the event of being reasonably satisfied that the Tenant is incapable by reason of physical or mental incapacity of farming the Holding in accordance with the obligations contained in this agreement) to terminate this agreement by serving Notice on the Tenant

(c) On the expiry of the Notice this agreement shall end but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this agreement

6.2 <u>Break Clause</u>

- (a) The Landlord shall have the right at any time to terminate this agreement in respect of the whole of the Holding by serving on the Tenant not less than [three] month's prior written notice of his intention to do so.
- (b) The Landlord shall have the right at any time to terminate this agreement in respect of any part of the Holding by serving on the Tenant not less than [one] month's prior written notice of his intention to do so.
- (c) Any termination of part of the Tenancy shall not terminate the Term except in respect of the land taken (in respect of which this agreement shall end but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this agreement) and the Tenant has be entitled to an appropriate reduction in rent.

6.4 Forfeiture

- (a) If the whole or any part of the Rent (or any other sum reserved as rent) remains unpaid twenty-one days after becoming due (whether demanded or not); or
- (b) If any of the Tenant's agreements in this agreement are not performed or observed; or
- (c) If the Tenant (or any of those comprising the Tenant who is an individual) proposes or enters into any composition or arrangement with his creditors generally or any class of his creditors; or is the subject of any judgment or order which is not complied with within seven days or is the subject of any execution or distress levied on the Holding; or is the subject of an application or order or appointment under sections 253, 273 or 286 of the Insolvency Act 1986; or is unable to pay or has no reasonable prospect of being able to pay his debts within the meaning of section 268 of the Insolvency Act 1986; or

(d) If the Tenant (being a company) is the subject of a petition presented or an order made or a resolution passed for appointing an administrator or winding up such company; or a receiver or administrative receiver is appointed of the whole or any part of the undertaking, property, assets or revenue of the company; or agrees to declare a moratorium or is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or ceases or threatens to cease to carry on its business

The Landlord may without prejudice to any other rights he may have at any time (and notwithstanding the waiver of any previous rights of re-entry) re-enter the Holding or any part of it whereupon the Tenancy shall end

7 FURTHER MUTUAL AGREEMENTS

The Landlord and the Tenant agree:

7.1 Set-off

That the Landlord may deduct from any compensation due to the Tenant all sums due from the Tenant to the Landlord

7.2 Dispute Resolution

- (a) In the event of any dispute arising under this agreement between the parties other than a dispute in respect of Rent or consent for improvements or compensation it shall be determined by an independent expert who shall be appointed on the joint written application of both parties or in default of agreement on the application of either party by the President of the Royal Institution of Chartered Surveyors
- (b) The appointment of such expert shall specify that his decision shall be made following representations in writing by the parties and the costs of the expert shall be borne as directed by the expert and his decision shall be final and binding on all parties

7.3 Whole Agreement

This agreement contains the whole agreement between the Landlord and the Tenant relating to the transaction contemplated by the grant of this Tenancy

7.4 Landlord's Address

For the purposes of the Landlord and Tenant Act 1987 the Landlord's address at which notices and proceedings should be served is as specified in clause 1 or at such other address as the Landlord may notify to the Tenant in writing

7.5 Contracts (Rights of Third Parties) Act 1999

The parties do not intend that any term of this agreement should be enforceable by any third party as provided by the Contracts (Rights of Third Parties) Act 1999 but any third party right which exists or is available independently of that Act is preserved

7.6 Freedom of Information

In this clause the following definitions apply:

"EIR" means the Environmental Information Regulations 2004 and any subordinate legislation made thereunder from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation

"EIR Exception" means any application exemption to EIR

"Exempted Information" means any information that is designated as falling or potentially falling within the FOIA Exemptions or EIR Exceptions

"FOIA" means the Freedom of Information Act 2000 and any subordinate legislation made thereunder from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation

"FOIA Exemption" means any application exemption to FOIA

"Information" means

- (a) In relation to FOIA has the meaning given under section 84 of the FOIA; and
- (b) In relation to EIR has the meaning given under the definition of Environmental Information in section 2 of EIR

- "Request for Information" shall have the meaning set out in FOIA or any request for information under EIR which may relate to the Holding, this Lease or any activities or business of the Landlord
- 7.6.1 The Tenant acknowledges that the Landlord is subject to legal duties which may require the release of Information under FOIA and/or EIR and that the Landlord may be under an obligation to provide Information subject to a Request for Information. The parties acknowledge that such information may include matters relating to, arising out of or under this Lease and any information provided by the Tenant prior thereto
- 7.6.2 The Landlord shall be responsible for determining in its absolute discretion whether:
 - 7.6.2.1 Any Information is Exempted Information or remains Exempted Information, or
 - 7.6.2.2 Any Information is to be disclosed in response to a Request for Information
 - In no event shall the Tenant respond directly to a Request for Information to which the Landlord is required to respond to, except to confirm receipt of the Request for Information and that the Request for Information has been passed to the Landlord unless otherwise expressly authorised to do so by the Landlord
- 7.6.3 Subject to clause 7.6.4 below, the Tenant acknowledges that the Landlord may be obliged under FOIA or EIR to disclose Information:
 - 7.6.3.1 Without consulting the Tenant; or
 - 7.6.3.2 Following consultation with the Tenant and having taken (or not taken, as the case may be) its views into account
- 7.6.4 Without in any way limiting clauses 7.6.1 and 7.6.3 in the event that the Landlord receives a Request for Information the Landlord will, where appropriate, as soon as reasonably practicable notify the Tenant
- 7.6.5 The Tenant will assist and co-operate with the Landlord as requested by the Landlord to enable the Landlord to comply with its disclosure requirements

under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and shall procure that its employees, agents and sub-contractors will) at their own cost:

- 7.6.5.1 Transfer any Request for Information received by the Tenant to the Landlord as soon as practicable after receipt and in any event within two working days of receiving a Request for Information:
- 7.6.5.2 Provide all such assistance as may be required from time to time by the Landlord and supply such data or information as may be requested by the Landlord
- 7.6.5.3 Provide the Landlord with any data or information in its possession or power in the form that the Landlord requires within five working days (or such other period as the Landlord may specify) of the Landlord requesting that Information;
- 7.6.5.4 Ensure that all Information produced in the course of the Tenant or relating to the Agreement is retained for disclosure; and
- 7.6.5.5 Permit the Landlord to inspect all records retained in accordance with clause 7.6.5.4 as requested from time to time
- 7.6.6 Nothing in this Lease will prevent the Landlord from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and/or EIR in relation to any Exempted Information

Schedule 1

The Holding

All the land outlined in red on the attached plan number SXC869

Schedule 2

Definitions and Interpretations

"Act" means the Agricultural Tenancies Act 1995

"Authority" means any statutory public local or other authority or any court of law or any government department or any of their duly authorised officers

"Basic Payment Scheme" has the same meaning as set out in Article 1 of the Regulation and Basic Payment shall be construed accordingly

"Cross Compliance" means the requirements for statutory management and to keep land in good agricultural and environmental condition in Council Regulation (EC) 1782/2003 and Council Regulation (EC) 73/2009 and any implementing regulations

Ecological Focus Area" means one or more of the land uses listed in Articles 46(2) of the Regulation

"Enactment" means any Act of Parliament or subordinate legislation or any European Community legislation or decree having effect of law in the United Kingdom

"Greening" means those agricultural practices beneficial for the climate and environment which must be observed in order to receive payment in respect of New Entitlements as set out in Articles 43 to 47 of the Regulation

"Insurance Rent" means the amount paid by the Landlord (including any excess sums) during the Term in discharging premiums for fire insurance public liability and other risks or insurances in any policy effected by the Landlord in respect of the Holding payable upon production by the Landlord to the Tenant of the receipt for the premiums due

"Legal Obligations" means any obligation created by any Enactment which relates to the Holding or its use "New Entitlements" means Basic Payment Scheme entitlements as established by Article 21(3) of the Regulation as distinct from the Entitlements

"Payment Rights" means all quota or other right of production or right to payment or subsidy whether under any scheme for the production or marketing of agricultural produce or otherwise or any right of restriction on production of the use of the Holding for farming or any licence or consent required for such production or use which is now or at any time in the future may be allocated transferred or made available to the Tenant (and whether as a matter of law attached to the Holding or not) other than Entitlements and Milk Quota

"Schedule of Condition" means the schedule attached to this agreement

"Tenancy" means the tenancy granted by this agreement

In this agreement unless the context otherwise requires:

- (a) words importing one gender only include every gender, words importing the singular include the plural and vice versa, and words importing persons include firms and companies and vice versa;
- (b) the term "the Landlord" includes the person for the time being entitled to the reversion immediately expectant upon the determination of the Tenancy;
- (c) the term "the Tenant" includes the person for the time being entitled to the Tenancy;
- (d) where there are two or more persons included in the expressions "the Landlord" and "the Tenant" the obligations of such persons under this agreement shall be joint and several;
- (e) any reference to "the Holding" includes any part or parts thereof;
- (f) any sum payable by one party to the other shall be exclusive of Value Added Tax which shall where it is chargeable be paid in addition to and at the same times as the sum in question;
- (g) any provision not to do an act or thing imports an obligation not to cause to permit such act or thing to be done;
- (h) any reference to legislation includes reference to that legislation as amended or replaced from time to time and to any subordinate legislation made under it

(i) if at any time a period of notice referred to in this Tenancy is in breach of any Enactment for any purpose there shall be deemed to be substituted for such purpose the minimum period of notice required by such Enactment

Schedule 3

Tenant's Covenants Relating to Single Payment Scheme etc

- 1. In this Schedule:
 - 1.1 "CAP Reform" means the reform of the system of direct payments made pursuant to the Common Agricultural Policy that is expected to come into force on or after 31 December 2014.
 - 1.2 "the Department" means the Department of the Environment Food and Rural Affairs which shall include where appropriate the Rural Payments Agency or any other relevant authority responsible for administering the Basic Payment Scheme
 - 1.3 "Basic Payment Entitlements" means any right or entitlement to receive support payment subsidies compensation or other payment from the European Union or the Department or any other public or statutory body whether jointly or individually under the Basic Payment Scheme and shall include any authorisations attached to the entitlements
 - 1.4 "Basic Payment Scheme" means the basic payment scheme established pursuant to the Regulations and all supplementary European legislation and directives and national legislations rules and regulations giving effect to the Regulations and all ancillary rules or regulations established under the Regulations relating to the Basic Payment Scheme
 - "Regulations" means Council Regulation (EC) No. 73/2009 (EC) ("the Principal Regulation") and Commission Regulation (EC) No 1120/2009 and Commission Regulation (EC) No 1122/2209 and any other regulation directives amending or substituting them; and any other regulations, orders, decisions or instruments directives made ancillary to the Principal Regulation; and all other regulations, statutes, statutory instruments, orders or directives implementing them in England
 - 1.6 "Other Entitlements" means any right or entitlement to receive support, payment, subsidies, compensation or other payment from the European Union the Government or any other public or statutory body whether jointly or individually (including but not limited to rights and entitlements

arising following CAP Reform) other than rights under the Basic Payment Scheme that are secured by reference to the area of the Holding and/or for the benefit of the owner or occupier of the Holding

1.7 "Holding's Basic Payment Entitlements" means:

- 1.7.1 any BP Entitlements established by or otherwise allocated to or made available to the Tenant by reference to the area of the Holding subject to the tenancy
- 1.7.2 any BP Entitlements transferred to or leased to or made available to the Tenant at the commencement of or during the course of the Term by the Landlord
- 1.7.3 any BP Entitlement transferred to the Tenant or leased to or made available to the Tenant by any third party at the request or direction of the Landlord at the commencement of or during the course of the tenancy
- 1.7.4 any BP Entitlements referred to in paragraph 2.16
- 1.8 "Permanent Pasture" has the meaning given to it in the Regulations

2. The Tenant covenants with the Landlord

- 2.1 To carry out sufficient husbandry and comply with all cross compliance requirements and other management requirements under the Basic Payment Scheme
- 2.2 To keep the Holding in good agricultural and environmental condition as required by the Basic Payment Scheme and the Regulations
- 2.3 To maintain those areas that are Permanent Pasture at the beginning of the Term as Permanent Pasture throughout the Term
- 2.4 To comply with any other requirements of any scheme rule or regulation relating to BPPS Entitlements whether they are ancillary to in substitution to or in addition to the Basic Payment Scheme and the Regulations

- 2.5 Not without the Landlord's prior written consent to use the Holding's BPS Entitlements to claim payments in respect of any land other than the area of the Holding
- 2.6 In each year of the Basic Payment Scheme to claim payment in respect of all the Holding's SPS Entitlements
- 2.7 To use all best endeavours to prevent any of the Holding's BPS Entitlements being allocated to any national reserve or to any other third party or body or their value being decimated or prejudiced
- 2.8 To use reasonable endeavours (at the Landlord's cost) to procure for the Holding the benefit of any further BPS Entitlements that may become available at any point during the Term
- 2.9 To provide all assistance to the Landlord in any claim for additional BPS Entitlements
- 2.10 Not to sell lease charge transfer or dispose of any of the Holding's BPS Entitlements
- 2.11 Following submission of any claim or form to the Department in any year of the Term to copy the completed and submitted claim form to the Landlord
- 2.12 Forthwith to copy to the Landlord any letters, notices, e-mails or other communications received from or sent to the Department in connection with the Holding's BPS Entitlements
- 2.13 At the direction of the Landlord to lodge any necessary claims or defences or bring proceedings or take any other necessary step required to dispute or prevent the confiscation of any of the Holding's BPS Entitlements or their reduction in number or value or any withholding of payment or the imposition of any other penalty
- 2.14 To provide the Landlord with all the information he may reasonably request in connection with the Holding's BPS Entitlements or compliance with the Basic Payment Scheme

- 2.15 On the termination of the tenancy granted by this Agreement or upon giving up occupation of the Holding the Tenant will take all such steps as may be required to ensure the Holding's BPS Entitlements are transferred to or assigned for no consideration to the Landlord or such person as the Landlord may direct (including signing all necessary forms RLE1 or such other form as may be required) and prior to such transfer will hold them on trust for the Landlord and take such steps as the Landlord shall require to preserve them and if only part of the tenancy is terminated or the Tenant only gives up occupation of part of the Holding this clause shall apply to a pro rata proportion of the Holding's BPS Entitlements
- 2.16 In the event the Tenant is allocated any BPS Entitlements during the course of the Term then those BPS Entitlements which have been allocated to the Tenant as a result of the occupation or use of the Holding by the Tenant or any previous owner or occupier of the Holding will form part of the Holding's BPS Entitlements
- 2.17 Not without the Landlord's prior consent to enter into any options or schemes or take any other voluntary steps that may become available under the Basic Payment Scheme which may restrict the use of the Holding or otherwise impose any burden on the Holding or any claimant under the Holding's BPS Entitlements
- 3. The Landlord covenants with the Tenant that he will observe or will procure that any transferee of the BPS Entitlements observes the covenants set out in paragraph 2.1 to 2.4 inclusive of this Schedule during the period from the expiry of the Term until the end of the calendar year in which the Term expires

4. Other Entitlements

The Landlord and Tenant agree that their intention is to procure any future right or entitlement to receive support, payment, subsidies, compensation or other payment from the European Union the Government or any other public or statutory body (including but not limited to rights and entitlements arising as a result of CAP Reform) whether jointly or individually other than rights under the Single Payment Scheme (which shall include but is not limited to basic payment entitlements) for the benefit of the Holding so that it or they can be transferred

to the Landlord or an incoming occupier of the Holding at the end of this tenancy

Accordingly the Tenant covenants with the Landlord:

- 4.1 To take all necessary steps that may be required to secure, preserve and obtain maximum number of, and maximum value in respect of, any Other Entitlements that may become available either during the Term and/or as a result of the Tenant's occupation of the Holding during the Term
- 4.2 To comply with all rules regulations directions and guidance that may relate to the Other Entitlements
- 4.3 Not to take any steps that may prevent or prejudice the establishment, allocation, transfer or value of any Other Entitlements that may become available either during the Term and/or as a result of the Tenant's occupation of the Holding during the Term
- 4.4 To copy any communications received or sent in respect of any Other Entitlements or any document that relates to the Other Entitlements to the Landlord
- 4.5 To use best endeavours to procure the transferability of any Other Entitlements to the Landlord or a third party at the direction of the Landlord on the termination of the Term
- 4.6 Not to set aside or to put out of production more of the Holding than the minimum required under any of the rules or regulations that relate to the Other Entitlements
- 4.7 On the termination of the tenancy granted by this Agreement or upon giving up occupation of the Holding the Tenant will take all such steps as may be required to ensure the Other Entitlements are transferred to or assigned for no consideration to the Landlord or such person as the Landlord may direct and prior to such transfer to hold on trust for the Landlord and if only part of the tenancy is terminated or the Tenant only gives up occupation of part of the Holding this clause shall apply to a pro rata proportion of the Other Entitlements

4.8 To comply with any reasonable request of the Landlord relating to the Other Entitlements (even if such request contradicts the earlier covenants in this paragraph 4)

2003

Jackie Jacob Head of Programmes

SIGNED for and on behalf of the Landlord)

Corrector Contractor

SIGNED by the Tenant)

Attached:

Plan

