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DATED

17 May 2011

LEASE

relating to

RYKAS CAFÉ, BURFORD BRIDGE, MICKLEHAM, SURREY RH5 6BY

between

SURREY COUNTY COUNCIL

and

KELIDAN LIMITED

and

I D ANDERSON AND K E ANDERSON



SEQ20



COPY



DAVITT JONES BOULD

15 The Crescent Taunton Somerset TA1 4EB
10399.0021/SCB

We hereby certify
this to be a true copy
of the original

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Prescribed Clauses

LR1. Date of lease	17 May 2011
LR2. Title number(s)	LR2.1 Landlord's title number(s) None LR2.2 Other title numbers None
LR3. Parties to this lease <i>Give full names, addresses and company's registration 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 give territory in which incorporated.</i>	Landlord Surrey County Council, County Hall, Penrhyn Road, Kingston-upon-Thames, Surrey KT1 2DN Tenant Kelidan Limited (company number 3301748) whose registered office is at Maria House, 35 Millers Road, Brighton BN1 5NP Other parties Guarantors – Iain Donald Anderson and Karen Elizabeth Anderson both of 7 Lazell Gardens, Brockham, Betchworth, Surrey, RH3 7BF
LR4. Property	<i>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</i> The Premises as defined in clause 1.1 of this Lease
LR5. Prescribed statements etc.	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 None LR5.2 This lease is made under, or by reference to, provisions of: None
LR6. Term for which the property is leased	The Term as defined in clause 1.1 of this Lease

LR7. Premium	None
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions
LR9. Rights of acquisition etc	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	None
LR11. Easements	LR11.1 Easements granted by this lease for the benefit of the Property As set out in the First Schedule LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property As set out in the Second Schedule
LR12. Estate rentcharge burdening the property	None
LR13. Application for standard form of restriction	None
LR14. Declaration of trust where there is more than one person comprising the Tenant	The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants 

THIS LEASE is dated

17 May

2011

BETWEEN PARTIES

- (1) Surrey County Council of County Hall, Penrhyn Road, Kingston-upon-Thames, Surrey KT1 2DN ("**Council**")
- (2) Kelidan Limited (company number 3301748) whose registered office is at Maria House, 35 Millers Road, Brighton BN1 5NP ("**Tenant**")
- (3) Iain Donald Anderson and Karen Elizabeth Anderson both of 7 Lazell Gardens, Brockham, Betchworth, Surrey, RH3 7BF ("**Guarantor**")

AGREED TERMS

1. DEFINITIONS

In this Lease, the following terms shall have the meanings given to them in this clause:

"Base Figure"	for the purposes of the first rent review the Index for the month preceding the commencement date of this Lease and for each subsequent review the Index for the month preceding the previous Review Date
"Base Rent"	TWENTY ONE THOUSAND FIVE HUNDRED POUNDS (£21,500.00) per annum
"Blue Land"	that part of the Premises shown coloured blue on the Plan
"Financial Year"	the Tenant's accounting financial year being the year ending on the Financial Year Date each year
"Financial Year Date"	31 January in each year
"Green Land"	that part of the Premises shown coloured green and green hatched black on the Plan
"Gross Annual Turnover"	all monies (excluding VAT) arising from the use of the Premises as permitted by this Lease and shall include (but not by way of limitation) any amounts received by the Tenant from the sale of goods and the provision or performance of services (including orders for goods or services received at the Premises and executed or performed elsewhere) or at or in the Premises including sales made and services performed by gaming machines video/computer machines or other devices in or on the Premises for the twelve month period ending on the Financial Year Date in each year.
"Index"	the "all items" index figure of the Index of Retail Prices published by the Office for National Statistics or any successor ministry department or

office

"Initial Rent"

NINE THOUSAND SEVEN HUNDRED AND ~~EIGHTY-THREE~~ ^{FOURTEEN} POUNDS (~~£9,783.00~~) per annum
7 42 PENCE (£9,714.42)

"Interest"

Interest at the rate of 4% above the base rate of HSBC Bank plc or such other bank of HSBC Bank plc or such other bank as the Council may from time to time nominate in writing

In another bank succeeds to the business of that bank the name of the successor is to be substituted for it.

If the named bank ceases to trade in other circumstances the Council may nominate any member of the Bankers' Clearing House to take the place of the named bank

If the clearing banks cease to publish a base rate 4% above such reasonably comparable rate of interest as the Council may determine.

"Liability Period"

The period during which the Tenant is bound by the tenant covenants of the Lease and any additional period during which the Tenant is liable under an authorised guarantee agreement

"Orange Land"

the land adjoining the Premises shown coloured orange on the Plan

"Pink Land"

that part of the Premises shown coloured pink on the Plan

"Permitted Use"

the kiosk to be used as a restaurant and takeaway with toilet facilities and ancillary car park

"Plan"

Plan number BK725 annexed to this Lease

"Premises"

Rykas Café, Burford Bridge, Mickleham, Surrey RH5 6BY, as shown edged in red on the Plan, including any parts thereof and the Council's fixtures and fittings

"Rent"

the Initial Rent or such revised rent agreed or determined under the rent review provisions set out in clause 4 of this Lease (and in addition any rent determined by a Court as payable for any part of the Term)

"Review Date(s)"

every fifth anniversary of the Term Commencement Date

"Review Period"

means the period starting with any Review Date up to and including the day before the next Review Date or starting with the last Review Date up to the end of the Term

“Term” twenty (20) years commencing on the Term Commencement Date and ending on 16 May 2031 and in addition any period of holding over or any extension thereof whether by statute or common law

“Term Commencement Date” 17 May 2011

2. INTERPRETATION

WHERE the context admits in this Lease

- 2.1 The ‘Council’ includes the person or body for the time being entitled in reversion expectant on the Term
- 2.2 The expression "Guarantor" includes not only the person who is party to this Lease as Guarantor but also any person who enters into covenants with the Council pursuant to Clause 5.23 and if more than one person is included in the expression every covenant made by the Guarantor shall be deemed to be jointly and severally given by all such persons
- 2.3 If this Lease is vested in more than one person every covenant by the Tenant in this Lease shall be deemed to be jointly and severally given by all such persons
- 2.4 Singular words include the plural and vice versa and words importing gender include any other gender
- 2.5 Any obligation by the Tenant not to do or omit any act or thing shall include an obligation not to suffer or permit the doing or omission of that act or thing and all similar provisions relating to the Tenant shall be construed accordingly
- 2.6 References to any statute include a reference to any statutory amendment modification or re-enactment for the time being in force
- 2.7 References to The Planning Acts include the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990 and the rules regulations and orders which are either made under one of them or are continued by the Planning (Consequential Provisions) Act 1990
- 2.8 Clause headings are for convenience only and do not form part of this Lease
- 2.9 The expressions “authorised guarantee agreement” and “tenant covenants” shall have the same meaning as in Section 28(1) of the Landlord and Tenant (Covenants) Act 1995

3. LETTING & RENTS

THE Council lets to the Tenant the Premises TOGETHER WITH the rights set out in the First Schedule hereto BUT EXCEPT AND RESERVING to the Council the rights set out in the Second Schedule TO HOLD the same to the Tenant for the Term YIELDING AND PAYING for the Premises the Rent to be paid without any deductions to the Council by equal quarterly instalments in advance on the usual quarter days by Bank Standing Order (the first payment due on the date of this Lease and the last payment being (if appropriate) of a proportionate sum) AND ALSO YIELDING AND PAYING as further rent within 28 days of the demand for payment the Insurance Rent

4. RENT REVIEW

4.1 The yearly rent shall be:-

- (a) until and including the day before the first Review Date the Initial Rent, and
- (b) during the review period commencing on the first Review Date a rent equal to the Base Rent or such revised rent as may be ascertained as herein provided whichever be the greater, and
- (c) during each successive review period a rent equal to the rent previously payable hereunder or such revised rent as may be ascertained as herein provided whichever be the greater

4.2 Such revised rent for any review period shall be an amount equal to the greater of:

- (a) an amount to be found by multiplying the Base Rent (for the first rent review) or the rent passing immediately before the relevant Review Date (for each subsequent rent review) by the Index for the month preceding the review date and then dividing the result by the Base Figure, and
- (b) an amount equal to the Turnover Rent

4.3 In this clause 4, **Turnover Rent** means an amount equal to seven per cent (7.0%) of the average Gross Annual Turnover during the three Financial Years immediately preceding the relevant Review Date, and:

- (a) the Council and the Tenant shall endeavour to agree the average Gross Annual Turnover as soon as reasonably practicable in relation to each Review Date; and
- (b) the Tenant's chartered or certified accountant will supply to the Council not less than one month before the relevant Review Date an audited figure representing the average Gross Annual Turnover during the three year period being the three Financial Years immediately preceding the relevant Review Date; and
- (c) the Council shall be at liberty to undertake its own audit of the Tenant's accounting records, which the Tenant agrees to make freely available to the Council for such purpose, to enable the Council to ascertain the average Gross Annual Turnover in the event that the Council does not accept the figure provided to the Council by the Tenant pursuant to sub-clause (b); and

- (d) without limiting the effect of sub-clause (e), in the event in the event that the average Gross Annual Turnover figure is not agreed between the Council and the Tenant within three months after any Review Date then the Council shall be entitled (but not obliged) to refer the matter to arbitration; and
- (e) in the event that the audited figure referred to in sub-clause (b) is not available (or the average Gross Annual Turnover is not agreed) within six months after any Review Date then the Council shall be entitled to substitute a figure therefor which it considers in its reasonable opinion to be equivalent to the average Gross Annual Turnover based on information supplied to and available to the Council at the time including any previously audited accounts; and
- (f) the Tenant shall act with the utmost good faith in connection with the provision of information to the Council so as to enable the Turnover Rent to be calculated; and

4.4 **Indexation**

- (a) If the reference base used to compile the Index changes after the date of this Lease the figure taken to be shown in the Index after the change is to be the figure that would have been shown in the Index if the reference base current at the date of this Lease had been retained
- (b) If it becomes impossible to calculate the Rent for a review period by reference to the Index because of any change in the methods used to compile the Index after the date of this Lease or for any other reason then the matter shall be referred to arbitration and the arbitrator shall have the power to determine on such dates as he considers appropriate what the increase in the Index would have been had it continued on the basis assumed to be available for it

4.5 **Arbitration**

- (a) Where any matter pursuant to this clause 4 is referred to arbitration, the arbitration shall be conducted in accordance with the Arbitration Act 1996
- (b) The arbitrator shall be entitled to issue such direction as to payment of costs as he/she sees fit.
- (c) If either the Council or the Tenant shall fail to pay any costs awarded against it in an arbitration under the provisions hereof within twenty-one days of the same being demanded by the arbitrator the other shall be entitled to pay the same and the amount so paid shall be repaid by the party chargeable on demand

4.6 **Interest**

- (a) If the revised rent payable on and from any Review Date has not been agreed by that Review Date rent shall continue to be payable at the rate previously payable and within 21 days upon the revised rent being ascertained the Tenant shall pay to the Council any shortfall between the rent and the revised rent payable up to and on the preceding quarter day together with interest on any shortfall at the base rate of HSBC Bank Plc in force during the period during which such interest accrues (or at the rate of 2%, if greater) such interest to be calculated on a day to day basis

- (d) without limiting the effect of sub-clause (e), in the event in the event that the average Gross Annual Turnover figure is not agreed between the Council and the Tenant within three months after any Review Date then the Council shall be entitled (but not obliged) to refer the matter to arbitration; and
- (e) in the event that the audited figure referred to in sub-clause (b) is not available (or the average Gross Annual Turnover is not agreed) within six months after any Review Date then the Council shall be entitled to substitute a figure therefor which it considers in its reasonable opinion to be equivalent to the average Gross Annual Turnover based on information supplied to and available to the Council at the time including any previously audited accounts; and
- (f) the Tenant shall act with the utmost good faith in connection with the provision of information to the Council so as to enable the Turnover Rent to be calculated; and

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commencing on the relevant Review Date on which it would have been payable if the revised rent had then been ascertained up to and including the date of actual payment of any shortfall

- (b) for the purposes of clause 4.6(a) the revised rent shall be deemed to have been ascertained on the date when the same has been agreed between the Council and the Tenant (or, as the case may be, the date of the award of the arbitrator)

4.7 **Memorandum**

When the amount of any rent to be ascertained as hereinbefore provided shall have been so ascertained memoranda thereof shall thereupon be signed by or on behalf of the Council and the Tenant and annexed to this Lease and the counterpart thereof and the Council and the Tenant shall bear their own costs in respect of thereof

5. **TENANTS COVENANTS**

THE Tenant COVENANTS with the Council as follows:

5.1 **Rent**

TO pay the rents reserved in this Lease on the days and in the manner specified and not to exercise or seek to exercise any right or claim to withhold rent or any right or claim to legal or equitable set-off

5.2 **Outgoings**

- (a) TO pay all rates taxes and outgoings in respect of the Premises including any imposed or becoming payable after the date of this Lease whether or not of a novel nature to the authorities responsible for collecting the same
- (b) The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list without the approval of the Council
- (c) NOT to apply for vacant property relief in respect of the Premises and in the event that the Tenant does obtain any vacant property relief (or similar relief or exemption) to repay to the Council and amount equal to the relief or exemption as soon as practicable whether or not demanded

5.3 **Repairs**

- (a) TO keep the Premises in good repair and condition (damage by any insured risk excepted unless and to the extent that any act or omission of the Tenant renders the insurance money irrecoverable)
- (b) TO keep the Premises clean and tidy and free from waste and refuse at all times
- (c) TO pay 40% of any costs incurred by the Council in resurfacing the Pink Land
- (d) TO reline the car park on the Pink Land as and when necessary
- (e) TO maintain all external lighting in good and working order

- (f) TO keep the toilets clean and tidy and properly supplied with all usual toilet requisites
- (g) TO maintain the Green Land in good heart and condition with the grass areas properly mown as necessary and re-seeded as and when necessary and all hedges and other shrubs (if any) properly trimmed and free from refuse
- (h) TO maintain the visibility splays at the entrances and the exits to the Premises
- (i) TO provide Picnic benches and other garden furniture as appropriate on the Green Land
- (j) TO keep the Pink Land in a clean and tidy condition and to arrange for the removal of any abandoned vehicles
- (k) TO keep the whole or any part or parts of the Premises free of refuse and to take all steps as may be necessary to ensure any litter or refuse originating from the Premises is removed from the Premises and any adjoining land and public highway

5.4 **Repair On Notice**

- (a) TO permit the Council to enter the Premises at any reasonable time on reasonable notice (or without notice in an emergency) to inspect the state of repair of the Premises and on the Council giving notice of repair needed by reason of a failure to perform the obligations of the Tenant within two months of the notice (or forthwith in an emergency) to start and diligently proceed to complete within a reasonable period all specified repairs
- (b) UPON any failure to comply with sub-clause 5.4(a) to permit the Council to enter the Premises with workmen and others to execute the specified repairs and to pay to the Council on demand the cost thereof

5.5 **Decoration**

- (a) IN every seventh year and in the last year of the Term however determined with good quality materials to decorate the interior of all buildings on the Premises with two coats at least of paint and to paper or cover with wallpaper or wallcovering and to otherwise appropriately treat all parts thereof previously painted papered or covered or otherwise treated PROVIDED THAT in the last year of the Term the prior written approval of the Council shall be obtained to the paint colour and the wallpaper or wallcovering patterns used
- (b) IN every fifth year and in the last year of the Term however determined with good quality materials to decorate the exterior of the Premises with two coats at least of paint and to otherwise appropriately treat all parts thereof previously painted or otherwise treated PROVIDED THAT the prior written approval of the Council shall be obtained to the paint and colour used

5.6 **Entry To Repair**

TO permit the Council and persons authorised by it with workmen and others to enter the Premises at any reasonable time on at least seven days' notice (or without notice in an

emergency) to repair maintain cleanse or renew any adjoining or neighbouring property or any service conducting media serving the same

5.7 **Alterations**

- (a) Except in order to comply with Sub-Clause 5.13(b) not to erect any buildings or other structures nor make any alterations or additions to the Green Land and the Pink Land PROVIDED THAT the Council will not unreasonably withhold or delay its consent to the creation of the children's play area on some part of the Green Land
- (b) Not without the consent in writing of the Council to erect any new buildings or other structures on the Blue Land nor make any alterations or additions to any buildings or other structures on the Blue Land
- (c) Not without the consent in writing of the Council such consent not to be unreasonably withheld or delayed to erect any gates on any of the entrance or exit to the Premises
- (d) Not without the consent in writing of the Council to alter the layout of any part or parts of the Premises
- (e) Not to levy any charges for parking

5.8 **Insurance**

- (a) AT all times to keep the Premises insured to the full cost of reinstatement under a policy complying with the terms of this clause subject to such excesses exclusions and limitations and other terms and conditions that may be imposed by the insurers
- (b) AN insurance policy complies with the terms of this clause if:
 - (i) it provides cover against loss or damage by any of the following risks ("insured risks") to the extent that such cover is available for buildings of the type of the Premises:

fire lightning explosion storm flood bursting or overflowing of water tanks apparatus or pipes riot civil commotion aircraft aerial devices and damage by malicious persons and vandals together with such other risks which the Council shall from time to time reasonably require
 - (ii) it insures an appropriate percentage of the rebuilding cost for professional fees incurred in rebuilding or reinstating any building destroyed or damaged by an insured risk and two years' loss of rent
 - (iii) it is effected in an insurance office of repute
- (c) TO give to the Landlord on demand (but not more often than once in every year unless circumstances arise that might give rise to an insurance claim) evidence from the insurers of the full terms of the policy and proof that it is in force and to produce to the Landlord as soon as received any endorsement varying the terms of the insurance policy or sufficient evidence of the contents thereof

- (d) TO apply all insurance monies received in the rebuilding or reinstatement of the Premises
- (e) NOT to do or permit to be done anything that will or may render void or voidable any insurance covering the Premises

5.9 **Insurance Valuation**

To permit the Council and any valuer authorised by it to enter the Premises at any reasonable time on at least seven days' notice to inspect and value the same for insurance purposes and to repay to the Council on demand any costs incurred in making such valuation

5.10 **Use**

- (a) NOT to use or permit the use of the Premises otherwise than for the Permitted Use
- (b) NOT to use the Green Land otherwise than for outdoor eating and picnicking and not use that part of the Green Land shown hatched black otherwise than for outdoor eating and picnicking or as an overflow car parking area
- (c) NOT to use the Pink Land otherwise than as a free public car park for use by the public at all times
- (d) NOT to permit commercial operators vending ice creams or other foods to operate on the Pink Land or on the Green Land
- (e) NOT to prevent the use of the Pink Land by the general public and to permit the use by the general public of the Pink Land at all times as a free public car park PROVIDED THAT this clause shall not prevent the Tenant from turning away customers of the Burford Bridge Hotel or any successor thereto

5.11 **Objectionable Use**

- (a) NOT to use or permit the use of the Premises for any dangerous offensive noxious noisome illegal or immoral activity or in any manner that may be or become a nuisance or annoyance to the Council or to the owner or occupier of any neighbouring premises
- (b) NOT to store or install any specially hazardous substances or machinery in or upon the Premises
- (c) NOT to overload any structural part of the Premises nor any machinery or equipment at the Premises nor any service media at the Premises
- (d) NOT to sell alcohol or any other intoxicating liquors on the Premises
- (e) NOT permit sleeping or residing on any part or parts of the Premises

5.12 **Planning**

- (a) AT all times to comply with the requirements of the Planning Acts insofar as they affect the Premises

- (b) NOT to make or permit to be made any applications for planning permission in relation to the Premises (without the prior written consent of the Council)
- (c) TO comply with all conditions attached to any planning permission that the Tenant implements including any which are to be complied with when the Premises cease to be used in accordance with that planning permission even though the period for which that permission was granted extends beyond the date of termination of this lease
- (d) FORTHWITH upon receipt of any notice about the development of the Premises or any neighbouring property to deliver a copy thereof to the Council and if so required by the Council to join with it (at the Council's expense) in making representations concerning the same
- (e) WHENEVER required to permit the Council to enter the Premises to comply with any requirement lawfully made of it under any statute notwithstanding that any action reasonably necessary for compliance interferes with the Tenant's enjoyment of the Premises and PROVIDED THAT the Council shall not be liable to make or pay any compensation for temporary inconvenience or disturbance caused thereby
- (f) NOT to object to any applications for planning permission or other consent made by the Council in relation to the Premises or any adjoining or neighbouring property of the Council

5.13 **Statutory Requirements**

- (a) AT all times to comply with the provisions of or imposed under any statute licence or registration regulating or permitting the use of the Premises for the purpose for which they are for the time being used and the requirements of any competent authority in that connection and at the expense of the Tenant to do all that is necessary to obtain maintain and renew all licences and registrations required by law for the use of the Premises for that purpose
- (b) TO comply promptly and at the cost of the Tenant with all orders notices regulations or requirements of any competent authority requiring any alteration addition modification or other work on or to the Premises and forthwith after the receipt by the Tenant of any such notice regulation or requirement to deliver a copy to the Council
- (c) Neither of the above two sub-clauses shall operate to impose on the Tenant at any time during the Term an obligation to charge members of the public using the Pink Land or the Green Land as car park for such use

5.14 **Advertisements**

NOT to display any notices or advertisements on the outside of the Premises or inside the Premises but visible from the outside except a reasonable announcement of the name and business of the Tenant to which the Council has given prior written consent (consent not to be unreasonably withheld)

5.15 **Dealings**

- (a) EXCEPT as expressly permitted by this Lease, not to assign, underlet, charge, part with or share possession or share occupation of this Lease or the Premises or hold the Lease on trust for any person (except pending registration of a dealing permitted by this Lease at the Land Registry or by reason only of joint legal ownership)
- (b) NOT to underlet share or part with possession of the whole or any part or parts of the Premises
- (c) NOT to assign part only of the Premises
- (d) NOT to charge the whole of this Lease without the consent of the Council, such consent not to be unreasonably withheld.
- (e) NOT to charge part only of this Lease.
- (f) SUBJECT to clauses 5.15(g) and (h), not to assign the whole of the Premises other than with the prior written licence of the Council which shall not be unreasonably withheld
- (g) IF any of the following circumstances in this clause (which is specified for the purposes of the Council and Tenant Act 1927 Section 19(1A)) shall apply either at the date when application for the licence to assign is made or after that date but before such licence is given the Council may withhold licence for this assignment and if after such licence has been given but before completion of the assignment any such circumstances apply the Council may revoke such licence (whether such licence is expressly subject to a condition as referred to in clause 5.15(h)(ii) or not):-
 - (i) any sum due from the Tenant under this lease remains unpaid
 - (ii) subject to clause (iii) in the Council's reasonable opinion the Tenant is not a person who is likely to be able both to comply with the tenant covenants of this lease and to continue to be such a person following the assignment
 - (iii) in the case of an assignment to a company which is in the same group (within the meaning of the Landlord and Tenant Act 1954 Section 42) as the Tenant in the Council's reasonable opinion the Tenant is a person who is or may become less likely to be able to comply with the tenant covenants of this lease than the Tenant making the application for the licence to assign (which likelihood is adjudged by reference in particular to the financial strength of that Tenant aggregated with that of any guarantor for that Tenant or the value of any other security for the performance of the tenant covenants when assessed at the date of the grant or assignment of the lease to that tenant)
 - (iv) the Tenant or any guarantor for the Tenant (other than any guarantor under an authorised guarantee agreement) has the benefit of state or diplomatic immunity; and
 - (v) the Tenant is a corporation registered in (or otherwise is resident in) a jurisdiction in which the order of a court obtained in England and Wales will

not necessarily be enforced without any consideration of the merits of the case

- (h) The Council may impose any or all of the following conditions (which are specified for the purposes of the Landlord and Tenant Act 1927 Section 19(1A)) on giving any licence for an assignment by the Tenant of the whole of the Premises and any such licence shall be treated as being subject to each of the following conditions:
 - (i) upon or before any assignment and before giving occupation to the Tenant the Tenant making the application for the licence to assign shall covenant by way of indemnity and guarantee with the Council in the terms of the authorised guarantee agreement in the Third Schedule to this Lease
 - (ii) the licence of the Council contains a condition that if at any time prior to the assignment the circumstance specified in clause 5.15(g) applies the Council may revoke the licence by written notice to the Tenant
- (i) WITHIN 28 days of any assignment relating to the Premises to produce for registration with the Council's solicitor such deed or document or certified copy of it and to pay the Council's solicitor's reasonable charges for the registration of every such document such charges not being less than £25 (twenty-five pounds)

5.16 Permission

- (a) DURING the last year of the Term to permit prospective tenants to inspect the Premises on giving reasonable prior notice and presenting a written authority from the Council or its agents
- (b) DURING the last year of the Term to permit the Council to erect and display on the Premises a board announcing that they are for sale or to let PROVIDED THAT it does not impede reasonable conduct of the Permitted Use

5.17 Costs

- (a) TO pay all costs (including solicitors' costs surveyors' fees and other professional costs and expenses) incurred by the Council in connection with or in contemplation with or incidental to any of the following:-
 - (i) the enforcement of the Tenant's covenants in this Lease
 - (ii) the preparation service and negotiation of a notice under section 146 of the Law of Property Act 1925 notwithstanding that forfeiture is avoided otherwise than by order of the court
 - (iii) the preparation service and negotiation of a schedule of dilapidations recording breaches of the Tenant's covenant to yield up the Premises in good repair at the end of the Term however determined
 - (iv) the preparation and service or any notice in connection with this Lease under section 17 of the Landlord and Tenant (Covenants) Act 1995
 - (v) any consent or approval applied for under this Lease
 - (vi) the recovery of any monies owing to the Council by the Tenant

- (b) WHERE the Tenant is obliged to pay or indemnify the Council against any solicitors' or other professional costs and expenses (whether under this or any other clause of this Lease) that obligation extends to those costs and expenses assessed on a full indemnity basis
- (c) TO pay the Council's costs and disbursements incurred in the preparation of this Lease

5.18 **Indemnities**

- (a) To be responsible for and to keep the Council fully indemnified against all damage damages losses costs expenses actions demands proceedings claims and liabilities made against or suffered or incurred by the Council arising directly or indirectly out of:
 - (i) any act omission or negligence of the Tenant or any persons at the Premises expressly or impliedly with the Tenant's authority and under the Tenant's control or
 - (ii) any breach or non-observance by the Tenant of the covenants conditions or other provisions of this Lease or any of the matters to which this demise is subject
- (b) To take out a policy of public liability insurance with a reputable insurer in such sum or sums as the Council may require and to produce to the Council on demand the policy or policies of such insurance

5.19 **Encroachments**

- (a) Not to stop up darken or obstruct any windows or light belonging to the Premises and not to grant any right or licence over the Premises to a third party
- (b) To take all reasonable steps to prevent any new window light opening doorway path passage pipe or other encroachment or easement being made or acquired in against out of or upon the Premises and to notify the Council immediately if any such encroachment or easement shall be made or acquired (or attempted to be made or acquired) and at the request of the Council to adopt such means as shall reasonably be required to prevent such encroachment or the acquisition of any such easement (including any proceedings)

5.20 **Interest on arrears**

- (a) If the Tenant shall fail to pay the rents or any sum due under this Lease within 14 days of the date due whether formally demanded or not the Tenant shall pay to the Council Interest on the rents or other sum from the date when they were due to the date on which they are paid
- (b) If the Council does not demand or accept any Rent or other money due or tendered under this Lease because the Council reasonably believes that the Tenant is in breach of any of the tenant covenants of this Lease then the Tenant shall when the amount is accepted by the Council also pay interest at the Interest Rate on that amount for the

period from the date the amount (or each part of it) became due until the date it is accepted by the Council

5.21 **Value Added Tax**

Not to occupy the Premises for any purpose which either alone or in conjunction with any other factors causes an election to waive exemption from VAT which the Council has or may make to be disapplied for VAT purposes

5.22 **Defective premises**

- (a) To give notice forthwith to the Council of any defect in the Premises which might give rise to
 - (i) an obligation on the Council to do or refrain from doing anything in relation to the Premises
 - (ii) any duty of care or the need to discharge such duty imposed by the Defective Premises Act 1972
- (b) To indemnify the Council against any liability under the Defective Premises Act 1972 in relation to the Premises by reason of failure by the Tenant to comply with any of the tenant covenants in this Lease

5.23 **Opening Hours**

- (a) TO keep the kiosk and toilets open and available to the general public between the hours of 0800 and 1800 each day, provided that the Tenant shall not be obliged to keep the kiosk and toilets open after 1600 hours during the months of November, December, January and February
- (b) NOT to open the kiosk after 2400 nor before 0600 each day
- (c) TO keep the car park open and available to the general public between the hours of 0800 and 1800 each day

5.24 **Countryside Purposes**

TO operate the Premises in such a way as it consistent with the aims of the Council for the countryside as set out in the Fourth Schedule

5.25 **New Guarantor**

Within 14 days of the death during the Liability Period of any Guarantor or of such person becoming bankrupt or having a receiving order made against her or having a receiver appointed under the Mental Health Act 1983 or being a company passing a resolution to wind up or entering into liquidation or having a receiver appointed to give notice of this to the Council and if so required by the Council at the expense of the Tenant within 28 days to procure some other person acceptable to the Council (such acceptance not to be unreasonably withheld) to execute a guarantee in respect of the Tenant's obligations contained in this Lease in the form of the Guarantor's covenants contained in this Lease (if any) or in such other form as is stipulated by

the Council PROVIDED THAT the obligation to procure such new guarantor shall not be enforced during such time as the lease remains vested in Kelidan Limited

5.26 Construction (Design and Management) Regulations

- (a) without prejudice to the generality of Clause 5.13 to comply with the provisions of the Construction (Design and Management) Regulations 2007 ("the CDM Regulations") to be the only client as defined in the provisions of the CDM Regulations to fulfil in relation to all and any works all the obligations of the client as set out in or reasonably to be inferred from the CDM Regulations and to make a declaration to that effect to the Health and Safety Executive in accordance with the Approved Code of Practice published from time to time by the Health and Safety Executive in relation to the CDM Regulations
- (b) at the end of the Term to forthwith deliver to the Council any and all health and safety files relating to the Premises in accordance with the CDM Regulations

5.27 To yield up

ON the termination of the Term however determined to yield up the Premises to the Council in good repair and in accordance with the provisions of this Lease and to comply with the following conditions prior to such determination:-

- (a) reinstate any Tenant's alterations made during the Term;
- (b) remove all Tenant's signage;
- (c) remove all Tenant's fixtures possessions and refuse;
- (d) pay all utilities in full and inform all utilities providers that the Tenant is leaving the Premises;
- (e) pay all rates and taxes relating to the Premises in full;
- (f) return all keys for the Premises to the Council;
- (g) pay all rents and other monies due up to the date of determination of the Lease

6. GUARANTOR'S COVENANTS

6.1 The Guarantor covenants with the Council as follows:

- (a) If at any time during the Liability Period the Tenant shall make any default in payment of the rents or in observing or performing any of the covenants or other terms of this Lease the Guarantor will pay the rents and observe or perform the covenants or terms in respect of which the Tenant shall be in default and make good to the Council on demand and indemnify the Council against all losses damages costs and expenses arising or incurred by the Council as a result of such non-payment non-performance or non-observance notwithstanding:
 - (i) any time or indulgence granted by the Council to the Tenant or any neglect or forbearance of the Council in enforcing the payment of the rents or the observance or performance of the covenants or other terms of this Lease or

any refusal by the Council to accept rents tendered by or on behalf of the Tenant at a time when the Council was entitled (or would after the service of a notice under the Law of Property Act 1925 Section 146 have been entitled) to re-enter the Premises

- (ii) that the terms of this Lease may have been varied by agreement between the parties
 - (iii) that the Tenant shall have surrendered part of the Premises in which event the liability of the Guarantor under this Lease shall continue in respect of the part of the Premises not so surrendered after making any necessary apportionments under the Law of Property Act 1925 Section 140 and
 - (iv) any other act or thing by which but for this provision the Guarantor would have been released
- (b) IF at any time during the Liability Period the Tenant (being an individual) shall become bankrupt or (being a company) shall enter liquidation and the trustee in bankruptcy or liquidator shall disclaim this Lease the Guarantor shall if the Council shall by notice within 60 days after such disclaimer so require take a Lease from the Council of the Premises for the residue of the Term which would have remained had there been no disclaimer at the Rent then being paid under this Lease and subject to the same covenants and terms as in this Lease (except that the Guarantor shall not be required to procure that any other person is made a party to the Lease as guarantor) such new lease to take effect from the date of such disclaimer and in such case the Guarantor shall pay the costs of such new lease and execute and deliver to the Council a counterpart of it
- (c) IF during the Liability Period this Lease shall be disclaimed and for any reason the Council does not require the Guarantor to accept a new lease of the Premises in accordance with Clause 5.2 the Guarantor shall pay to the Council on demand an amount equal to the rents for the period commencing with the date of such disclaimer and ending on whichever is the earlier of the following dates:
- (i) the date 6 months after such disclaimer
 - (ii) the date (if any) upon which the Premises are relet
- (d) THE Council covenants with the Guarantor that it will notify the Guarantor in writing within 21 days of being informed of the facts bringing the Liability Period to an end

6.2 **Original Guarantor**

- (a) IN this clause 6:
- (i) **“Genuine Assignment”** means an assignment of the whole of this Lease by Kelidan Limited to a Third Party with the consent of the Council given pursuant to clause 5.15
 - (ii) **“Original Guarantor”** means Iain Donald Anderson and Karen Elizabeth Anderson

(iii) **“Related Party”** means any entity that is related to either the Tenant or the Original Guarantor including, without limitation, any group company of the Tenant or any entity which is wholly or in part owned or controlled by either the Tenant or the Original Guarantor or either of them

(iv) **“Third Party”** means anyone who is not a Related Party

(b) Upon completion of a Genuine Assignment, and provided that such assignment is duly registered with the Council pursuant to clause 5.15(i), the Original Guarantor will be released from future liability (occurring or to be incurred after the date of completion of the Genuine Assignment) pursuant to clause 6, but without prejudice to the continuing liability of the Original Guarantor for all liability that is incurred or arises or occurs prior to the day after the date on which the Genuine Assignment is completed (which liability the Original Guarantor shall remain liable to discharge to the Council)

7. LANDLORD'S COVENANTS

THE Council COVENANTS with the Tenant as follows:

7.1 Quiet Enjoyment

WHILE the Tenant is not in breach of any of its obligations hereunder it shall be entitled peaceably and quietly to hold and enjoy the Premises without any lawful interruption by the Council or persons claiming under or in trust for the Council or by title paramount

7.2 Car Park

- (a) SUBJECT to the provisions of clause 8.5 to re-surface the public car park on the Pink Land as and when necessary following agreement between the parties PROVIDED THAT in the case of dispute the matter shall be referred to arbitration
- (b) Not to erect gates on any of the entrances or exits to the Premises nor in any way to alter such entrances or exits

7.3 Maintenance of Trees

TO be responsible for maintaining and cutting back the trees located within the Premises

8. PROVISOS

PROVIDED ALWAYS AND IT IS AGREED AND DECLARED as follows:-

8.1 Re-entry

If at any time the rents hereby reserved or any part thereof are twenty-one days in arrear (whether formally demanded or not) or if the Tenant fails to observe or perform any of the Tenants Covenants herein contained or if the Tenant (or if more than one any of them) is an individual and is adjudicated bankrupt or an interim receiver of his property is appointed or is a company and goes into liquidation otherwise than for the purposes of amalgamation or

reconstruction without insolvency or an administration order is made in respect of it or an administrative receiver of it is appointed then and in any such case the Council may re-enter upon the Premises or any part thereof in the name of the whole and thereupon the Term shall absolutely determine but without prejudice to any claim by the Council against the Tenant for any previous breach of any of the Tenant's Covenants

8.2 **VAT**

ALL sums payable under or in connection with this Lease in respect of rent or any other monies payable or taxable supplies received by the Tenant shall be deemed to be exclusive of Value Added Tax which may be chargeable thereon and any such Value Added Tax shall be payable by the Tenant on the production by the Council of a proper tax invoice

8.3 **Compensation**

SUBJECT to the provisions of Section 38(2) of the Landlord and Tenant Act 1954 the Tenant shall not be entitled on quitting the Premises to any compensation under Section 37 of that Act

8.4 **Local Authority**

THIS Lease being executed by the Council as freeholder of the Premises nothing contained in this Lease shall be deemed to affect the powers authorities and rights of the Council as a local authority or as owners of any other property

8.5 **Arbitration**

ANY dispute or question which this Lease requires to be settled by arbitration shall be referred in accordance with the Arbitration Act 1996 to a single arbitrator who both parties shall agree to appoint or who in default of agreement between the Council and the Tenant shall be appointed by the President of the Royal Institution of Chartered Surveyors at the request of either party

8.6 **Disclaimer**

The Council shall not be liable for the death of or injury to any person (other than due to its own negligence) or for damage to the property of the Tenant or the invitees of the Tenant or for any losses claims demands actions proceedings damages costs or expenses or other liability incurred by the Tenant or any such invitee arising out of the use of the Premises or the exercise or purported exercise of the rights (if any) granted by this Lease

8.7 **Notices**

ANY demand for payment or notice to be made or given to the Tenant shall be properly made or given if sent by Recorded Delivery addressed to the Tenant (or any one of them) at the Premises and any notice to be given to the Council shall be properly given if sent by the Tenant by Recorded Delivery addressed to the Head of Legal Services of the Council at County Hall Kingston upon Thames KT1 2DN (with a copy to Estates Planning and Management) at the

same address and any demand or notice sent by Recorded Delivery in either case shall be assumed to have been delivered in the usual course of post

8.8 No warranty as to use

NOTHING contained in this Lease shall constitute or be deemed to constitute a warranty by the Council that the Premises are authorised under the Planning Acts to be used or are otherwise fit for the Permitted Use

8.9 Contracts (Rights of Third Parties) Act 1999

Pursuant to Section 1(2) of the Contracts (Rights of Third Parties) Act 1999 the parties hereto intend that no term of this Lease may be enforced by any third party solely by virtue of the provisions of that Act

8.10 Entire Agreement and Exclusion of Liability

- (a) This Lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this Lease and supersedes any previous agreement between the parties relating to this transaction
- (b) The Tenant acknowledges that in entering into this Lease it is not relying upon and shall have no remedy in respect of any statement or representation made by or on behalf of the Council
- (c) Nothing in this clause shall operate to limit or exclude any liability for fraud

8.11 Governing Law and Jurisdiction

- (a) This Lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and constructed in accordance with the law of England and Wales
- (b) The parties hereby irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Lease or its subject matter or formation (including non-contractual disputes or claims)

IN WITNESS whereof the parties hereto have duly executed this instrument as a deed the day and year first before written

**FIRST SCHEDULE
ANCILLARY RIGHTS**

1. The right to maintain the sign now situate on the Orange Land
2. The right to enter onto the Orange Land from time to time in order to maintain the services exclusively serving the Premises including the right to break up the surface thereof subject to making good all damage caused to the reasonable satisfaction of the Council
3. The right of passage and running of drainage and soil from and to the Premises through the sewers drains and conduits now or hereafter in or under the adjoining property of the Council and the right to connect into such sewers drains and conduits and maintain connections therefrom to the Premises
4. Such rights or entry onto any adjoining or adjacent property of the Council (with or without workmen plant tools and equipment) as are necessary to inspect maintain cleanse repair and replace such sewers drains conduits and connections thereto

SUBJECT to the person exercising such rights causing as little inconvenience and disturbance as possible and making good all damage occasioned thereby to the reasonable satisfaction of the Council

SECOND SCHEDULE
EXCEPTIONS AND RESERVATIONS

1. A right of way with appropriate machinery over the Premises for the purpose of mowing and tidying the Orange Land
2. The right of passage and running of drainage and soil from and to the Council's adjoining land through the sewers drains and conduits now or hereafter in or under the Premises and the right to connect into such sewers drains and conduits and maintain connections therefrom to the adjoining land of the Council SUBJECT to the person exercising such rights causing as little inconvenience and disturbance as possible and making good all damage occasioned thereby to the reasonable satisfaction of the Tenant

3.1. To pay observe and perform

The Assignee shall punctually pay the rents and observe and perform the covenants and other terms of the Lease throughout the Liability Period and if at any time during the Liability Period the Assignee shall make any default in payment of the rents or in observing or performing any of the covenants or other terms of the Lease the Guarantor will pay the rents and observe or perform the covenants or terms in respect of which the Assignee shall be in default and make good to the Council on demand and indemnify the Council against all losses damages costs and expenses arising or incurred by the Council as a result of such non-payment non performance or non-observance notwithstanding:

3.1.1.any time or indulgence granted by the Council to the Assignee or any neglect or forbearance of the Council in enforcing the payment of the rents or the observance or performance of the covenants or other terms of this Lease or any refusal by the Council to accept rents tendered by or on behalf of the Assignee at a time when the Council was entitled (or would after the service of a notice under the Law of Property Act 1925 Section 146 have been entitled) to re-enter the Premises

3.1.2.that the terms of this Lease may have been varied by agreement between the parties

3.1.3.that the Assignee shall have surrendered part of the Premises in which event the liability of the Guarantor under this Lease shall continue in respect of the part of the Premises not to surrendered after making any necessary apportionments under the Law of Property Act 1925 Section 140 and

3.1.4.any other act or thing by which but for this provision the Guarantor would have been released

3.2. To take lease following disclaimer

If during the Liability Period the Assignee (being an individual) shall become bankrupt or (being a company) shall enter into liquidation and the trustee in bankruptcy or liquidator shall disclaim the Lease the Guarantor shall if the Council shall by notice within 60 days after such disclaimer so require take from the Council a lease of the Premises for the residue of the contractual term of the Lease which would have remained had there been no disclaimer at the rent then being paid under the Lease and subject to the same covenants and terms as in the Lease (except that the Guarantor shall not be required to procure that any other person is made a party to that lease as guarantor) such new lease to take effect from the date of such disclaimer and in such case the Guarantor shall pay the costs of such new lease and execute and deliver to the Council a counterpart of it

3.3. To make payments following disclaimer

If during the Liability Period the Lease shall be disclaimed and for any reason the Council does not require the Guarantor to accept a new lease of the Premises in accordance with clause 3.2 above the Guarantor shall pay to the Council on demand an amount equal to the difference between any money received by the Council for the use

or occupation of the Premises and the rents in both cases for the period commencing with the date of such disclaimer and ending on whichever is the earlier of the following dates

3.3.1.the date 6 months after such disclaimer and

3.3.2.the date (if any) upon which the Premises are relet

4. The Council's Covenant

The Council covenants with the Guarantor that it will notify the Guarantor in writing within 7 days of being informed of the facts bringing the Liability Period to an end

IN WITNESS whereof the parties hereto have duly executed this instrument as a deed the day and year first before written

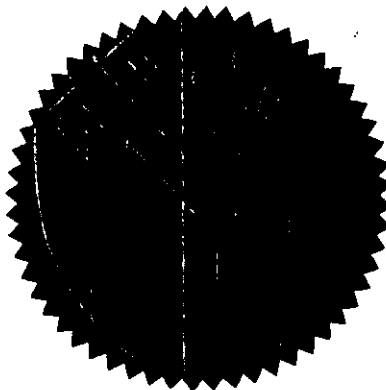
(Attestation clauses for the Authorised Guarantee Agreement)

FOURTH SCHEDULE
(COUNTRYSIDE AIMS FOR THE BURFORD BRIDGE PICNIC SITE)

1. The provision of an informal picnic site car park and toilets for those wishing to visit the adjoining countryside and/or using the A24 as a break during their travels
2. The provision of countryside information by static displays and availability of leaflets to promote not only the County Council's Countryside Estate but also the wider countryside and the need for countryside management in general
3. The retention and use of a semi rural environment complementary with the surrounding area acknowledging at the same time sensitivities within the locality
4. The provision of a catering facility of a high standard responsive to visitors' needs but managed sympathetically bearing in mind local residential and commercial neighbours

KF EXECUTED as a Deed by affixing
THE COMMON SEAL of SURREY
COUNTY COUNCIL in the presence
of and attested by:

)
)
)
)



.....
Authorised signatory

SURREY COUNTY COUNCIL

No. IN SEALING
REGISTER

.....2043/2044

ORDERED TO
BE SEALED

V. No. 50/2011

Client



Notes

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O.S. Ref.

TQ 1752

Surveyed by

Drawn by

Checked by

Date

Date 29.07.99

Date 29.07.99



Bruton Knowles
Shelsley House
Randalls Business Park
Randalls Way
Leatherhead
Surrey KT22 7TX

Tel: 01372 226100
Fax: 01372 226200

Scale

Completed by

Checked by

1:1250

Date

Date

Location

RYKAS
A24 MICKLEHAM BY-PASS
DORKING

Title

PROPOSED DEMISE
BURFORD BRIDGE PICNIC SITE

Plan Reg. No.

BK 725

Plan File No.

B 108



Path (um)

39.7m

B 2209

Car Park

Picnic Area

Cycle Track

A 24

Cycle Track

Pump House

0300

0300

Path (um)

Hillside Spinney

Picnic Area

Car Park