



DATED

201

LEASE

relating to

PART OF NORTH HERTFORDSHIRE MUSEUM AND HITCHIN TOWN HALL

between

NORTH HERTFORDSHIRE DISTRICT COUNCIL

and

HITCHIN TOWN HALL LIMITED

CONTENTS

CLAUSE

| | | |
|-----|---|----|
| 1. | Interpretation | 3 |
| 2. | Grant..... | 9 |
| 3. | Ancillary rights | 9 |
| 4. | Rights excepted and reserved | 12 |
| 5. | Third Party Rights | 14 |
| 6. | The Annual Rent | 14 |
| 7. | Insurance | 14 |
| 8. | Rates and taxes | 16 |
| 9. | Utilities | 16 |
| 10. | Common items | 17 |
| 11. | VAT | 17 |
| 12. | Costs..... | 17 |
| 13. | Registration of this lease | 18 |
| 14. | Assignments | 18 |
| 15. | Underlettings | 19 |
| 16. | Sharing occupation..... | 20 |
| 17. | Charging..... | 21 |
| 18. | Prohibition of other dealings..... | 21 |
| 19. | Registration and notification of dealings and occupation | 21 |
| 20. | Closure of the registered title of this lease..... | 22 |
| 21. | Repairs | 22 |
| 22. | Decoration..... | 22 |
| 23. | Café fixtures and fittings | 23 |
| 24. | Alterations and signs | 23 |
| 25. | Returning the Property to the Landlord | 24 |
| 26. | Use..... | 24 |
| 27. | Management of the Building and tenant's accounts..... | 25 |
| 28. | Compliance with laws..... | 25 |
| 29. | Encroachments, obstructions and acquisition of rights | 27 |
| 30. | Breach of repair and maintenance obligations | 27 |
| 31. | Indemnity..... | 28 |
| 32. | Landlord's covenants | 28 |
| 33. | Re-entry and forfeiture | 28 |
| 34. | Liability..... | 29 |
| 35. | Exclusion of representations | 30 |
| 36. | Notices, consents and approvals | 30 |
| 37. | Governing law and jurisdiction..... | 31 |
| 38. | Contracts (Rights of Third Parties) Act 1999 | 32 |
| 39. | Landlord and Tenant (Covenants) Act 1995..... | 32 |
| 40. | Landlord's Charities Act certificate and limit on liability | 32 |
| 41. | Tenant's Charities Act certificate and limit on liability | 32 |

The Schedule

PRESCRIBED CLAUSES

LR1. Date of lease

LR2. Title number(s)

LR2.1 Landlord's title number(s)

HD 488762 and HD506432 and HD512543

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

NORTH HERTFORDSHIRE DISTRICT COUNCIL of Council Offices, Gernon Road, Letchworth, Hertfordshire, SG6 3JF

Tenant

HITCHIN TOWN HALL LIMITED a charity (company registration number 07974116 and charity number 1148921 whose registered office is at 2 Croft Chambers, 11 Bancroft, Hitchin, Hertfordshire, SG5 1JQ

Other parties

None

Guarantor

LR4. Property

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.

See the definition of "Property" in clause 1.1 of this lease.

LR5. Prescribed statements etc.

None.

LR6. Term for which the Property is leased

The term as specified in this lease at clause 1.1 in the definition of "Contractual Term".

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

The easements as specified in clause 3 of this lease.

LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property

The easements as specified in clause 4 of this lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

The Parties to this lease apply to enter the following standard form of restriction

See clause 41

LR14. Declaration of trust where there is more than one person comprising the Tenant

THIS LEASE is dated

201[X]

PARTIES

- (1) NORTH HERTFORDSHIRE DISTRICT COUNCIL of Council offices, Gernon Road, Letchworth, Hertfordshire, SG6 3JF (**Landlord**).
- (2) HITCHIN TOWN HALL LIMITED a charity, incorporated and registered in England and Wales with company number 07974116 and charity number 1148921 whose registered office is at 2 Croft Chambers, 11 Bancroft, Hitchin, Hertfordshire, SG5 1JQ (**Tenant**).

RECITALS

- (A) The Landlord and the Tenant have entered into this lease with the objective of both parties providing community services from the Building for the benefit of the public.
- (B) The parties have agreed to work together to deliver the said community services and recognise that in order to do so the Landlord and Tenant under this lease must always be party to a community use and management agreement which will address (inter alia) the matters referred to in Schedule 1
- (C) The Landlord and the Tenant hereby agree that the intention of the parties is to allow flexibility over the matters regulated by the Community Use and Management Agreement and it may therefore be amended and reviewed during the term by mutual agreement.
- (D) As to that part of the Property comprising the Trust Land the Landlord holds the Property as sole trustee pursuant to the Trust

AGREED TERMS

1. INTERPRETATION

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

Additional Seating Space: such additional part of the Building as the Landlord designates from time to time as being suitable for seating visitors to the Café

Annual Rent: rent at a rate of one peppercorn per annum if demanded

Balcony: the part of the Property shown coloured blue and hatched orange on the first Floor Plan

Building: North Hertfordshire Museum and Community Facility, Brand Street, Hitchin, SG5 1JE being the land comprised within title numbers HD488762, HD506432 and part of title number HD512543 as is shown edged red on the Site Plan.

Café Area: the part of the Property shown coloured blue and hatched light blue on the ground Floor Plan.

Central Gallery: the part of the Building shown coloured green and hatched orange on the first Floor Plan.

Common Parts: the Building other than the Property, the Museum, the External Area the Central Gallery and the Terrace (and for the avoidance of doubt the Common Parts include the Service Media and public toilet and washroom facilities within the Building)

Community Use and Management Agreement: an agreement between the Parties regulating the use of the Property in accordance with Schedule 1 of this Lease

Contractual Term: a term of 125 years beginning on, and including the date of this lease and ending on, and including 213[X]

CDM Regulations: the Construction (Design and Management) Regulations 2007.

Dispute: a dispute issue difference question or claim as between the Landlord and the Tenant relating to or arising at any time out of this Lease

Dispute Notice: a notice requiring a Dispute to be referred to a Specialist and proposing an appropriate Specialist

External Area: those part of the Building shown shaded yellow on the ground Floor Plan

Floor Plans: the four plans attached to this lease and marked as the basement plan, the ground floor plan, the first floor plan and the second floor plan and Floor Plan shall be interpreted accordingly

Hall Area: that part of the Property not forming part of the Café Area

Insurance Rent: the aggregate in each year of:

- (a) a fair proportion of the gross cost of the premium before any discount or commission for:
 - (i) the insurance of the Building, other than any plate glass, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses; and

- (ii) public liability insurance in relation to the Common Parts;
- (b) any insurance premium tax payable on the above.

Insured Risks: means such of the following risks as are covered by the Landlord's block insurance policy from time to time; fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Circulation Route: the route marked as circulation route on the ground Floor Plan and the first Floor Plan with a thick black dashed line

Community Use and Management Agreement: the community use and management agreement to be entered into between the Landlord and the Tenant on the date of this lease in accordance with the objectives set out in the Recitals and any replacement community use and management agreement entered into by the Landlord and the Tenant during the Contractual Term

LTA 1954: Landlord and Tenant Act 1954.

Lucas Room: the room forming part of the Property marked as Lucas Room on the first Floor Plan

Mountford Hall: the room forming part of the Property marked as Community Hall on the ground Floor Plan

Museum: the part of the Building shown coloured green, coloured green and hatched orange, and coloured green and cross hatched orange on the Floor Plans

Neighbouring Property: a property in close proximity

Party: the Landlord and the Tenant and where the context allows Parties shall mean both of them

Permitted Part: any part of the Property that can be identified as distinct from the whole and separately occupied other than the Mountford Hall and the Lucas Room which shall not be Permitted Parts.

Permitted Use: as to the **Hall Area** use for the purpose of education, museum, spiritual, leisure, community hall, cultural and provided that it is in support of the need to operate the Hall for the community and not solely for commercial gain use for exhibitions, corporate functions, sports, weddings and festivals, retail, offices or any other use to which the Landlord in its entire discretion may consent and for the avoidance of doubt, this shall include (subject to compliance with all other relevant legislation) the service of alcohol.

as to the **Café Area** use as a café within use class A3 of the Town and Country Planning (Use Classes Order) 1987 as at the date of this lease and for the avoidance of doubt this shall include (subject to compliance with all other relevant legislation) the service of alcohol without food provided that such use is ancillary to the overall use of the Hall or of the Café Area as a café or both and does not become the predominant use

Property: the part of the floors of the Building shown shaded blue, shaded blue and hatched light blue, and shaded blue and hatched orange on each of the Floor Plans in respect of each of those floors bounded by and including:

- (a) the floorboards;
- (b) the internal surface of the ceiling area;
- (c) the interior plaster, timber and brick finishes of exterior walls and columns;
- (d) the plaster, timber and brick finishes of the interior load-bearing walls and columns that adjoin the Museum or the Common Parts;
- (e) the doors and windows within the interior, load-bearing walls and columns that adjoin the Museum or the Common Parts and their frames and fittings;
- (f) one half of the thickness of the interior, non-load-bearing walls and columns that adjoin the Museum or the Common Parts;
- (g) the doors and windows within the interior, non-load-bearing walls and columns that adjoin the Common Parts and their frames and fittings;

but excluding:

- (h) the windows in the exterior walls and their frames and fittings;
- (i) all Service Media within that part of the Building but which do not exclusively serve that part of the Building
- (j) the walls, roof, foundations and other structural elements

Rent Payment Date: 1 January each calendar year

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

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

Site Plan: means the plan attached to this lease and marked as the site plan

Specialist: a person qualified to act as an independent expert or arbitrator in relation to a Dispute having experience in the profession in which they practice of at least 10 years immediately preceding the date of referral.

Terrace: the part of the Building shown coloured green and cross hatched orange on the first Floor Plan

Title Numbers: HD488762, HD506432 and HD512543

Third Party Rights: all rights, covenants and restrictions affecting the Building including the matters referred to at the date of this lease in the office copy titles of title number HD488762, HD506432 and HD512543

Trust: Hitchin Town Hall Gymnasium and Workmans Hall Trust (registered charity number 233752)

Trust Land: that part of the Building registered under title number HD506432 and more particularly shown edged red on the Trust Land Plan

Trust Land Plan: the plan attached to this lease and marked Trust Land Plan

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

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns. A reference to a **guarantor** is a reference to any guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, to be agreed by the Landlord and the Tenant or referred for determination in accordance with clause 38 of this Lease.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, references to the **Building**, the **Common Parts**, the **Museum**, the **Central Gallery**, the **Terrace** and the **Property** are to the whole and any part of them or it.
- 1.7 The expression **neighbouring property** does not include the Building.

- 1.8 A reference to the **term** is to the Contractual Term.
- 1.9 A reference to the **end of the term** is to the end of the term however it ends.
- 1.10 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 36.4 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 36.5.
- 1.11 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.12 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.13 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.14 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.15 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.16 A **person** includes a corporate or unincorporated body.
- 1.17 References to **writing** or **written** do not include faxes or email.
- 1.18 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule.
- 1.19 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.

2. GRANT

- 2.1 The Landlord lets the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
- (a) the Annual Rent and all VAT in respect of it; and
 - (b) the Insurance Rent.

3. ANCILLARY RIGHTS

- 3.1 The Landlord grants the Tenant the following rights (the **Rights**):
- (a) the right to support and protection from the Common Parts to the extent that the Common Parts provide support and protection to the Property to the date of this lease;
 - (b) the right to use the External Area for the purposes of pedestrian access to and egress from the interior of the Building;
 - (c) the right for visitors to the Property with the appropriate disabled parking permit to park in those spaces in the External Area designated by the Landlord from time to time as being disabled parking spaces;
 - (d) the right to use the hallways, corridors, stairways, lifts and landings of the Common Parts shown shaded purple on the Floor Plans for the purposes of access to and egress from the Property and the lavatories and washrooms referred to in clause 3.1(e);
 - (e) the right to use the lavatories and washrooms on the ground and first floors of the Building;
 - (f) the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease or are installed or constructed during the term;
 - (g) the right to attach any item to any part of the Building adjoining the Property so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease;
 - (h) the right to enter the Common Parts or the Museum so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease; and

- (i) the right to pass and repass on foot across those parts of the Central Gallery SUBJECT always to temporary interruption to the said right in accordance with the provisions of the Community Use and Management Agreement;
- (j) the right to use the Central Gallery in accordance with the terms of the Community Use and Management Agreement
- (k) the right to use part of the External Area as designated by the Landlord from time to time for the storage of waste containers in accordance with the Community Use and Management Agreement
- (l) the right to use the Terrace in accordance with the terms and conditions of the Community Use and Management Agreement.
- (m) where it is not reasonably practicable to seat 40 people in the Café, the right to place seating in the Additional Seating Space to ensure that there are a total of 40 seats available in the Café and the Additional Seating Space.
- (n) the right to display publicity material advertising the events to be held at the Property on such part of any noticeboard affixed to the exterior of the Building as the Landlord designates for use by the Tenant

3.2 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.

3.3 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Common Parts and the Museum and the Tenant shall not do anything that may interfere with any Third Party Right.

3.4 The Tenant shall exercise the Rights (other than the Right mentioned in clause 3.1(a)) only in connection with its use of the Property for the Permitted Use and in accordance with the provisions of the Community Use and Management Agreement and any regulations made by the Landlord as mentioned in clause 27.1.

3.5 The Tenant shall comply with all laws relating to its use of the Common Parts, Terrace and Central Gallery pursuant to the Rights.

3.6 In relation to the Rights mentioned in clause 3.1(b) to clause 3.1(e) , the Landlord may, at its reasonable discretion and after consultation with the Tenant, change the route of any means of access to or egress from the interior of the Building and may change the area over which any of those Rights are exercised but:

- (a) taking into account any objections or other representation made by the Tenant in relation to the proposed changes and any detrimental effect it will have on the Tenant; and
 - (b) taking reasonable steps to mitigate any detrimental effect identified.
- 3.7 In relation to the Rights mentioned in clause 3.1(f), the Landlord may, at its reasonable discretion and after consultation with the Tenant, re-route or replace any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced.
- 3.8 In relation to the Right mentioned in clause 3.1(g), where the Tenant requires the consent of the Landlord to carry out the works to the Property, the Tenant may only exercise that Right when that consent has been granted and in accordance with the terms of that consent.
- 3.9 In exercising the Right mentioned in clause 3.1(h), the Tenant shall:
 - (a) except in case of emergency, give reasonable notice to the Landlord and any occupiers of the Museum of its intention to exercise that Right;
 - (b) where reasonably required by the Landlord or the occupier of the Museum, exercise that Right only if accompanied by a representative of the Landlord and/or the tenant and/or the occupier of the Museum;
 - (c) cause as little damage as possible to the Common Parts and the Museum and to any property belonging to or used by the Landlord;
 - (d) cause as little inconvenience as possible to the Landlord and the tenants and occupiers of the Museum as is reasonably practicable; and
 - (e) promptly make good (to the satisfaction of the Landlord) any damage caused to the Common Parts (or to any property belonging to or used by the Landlord) by reason of the Tenant exercising that Right.
- 3.10 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over the Common Parts or the Museum or any neighbouring property nor is to be taken to show that the Tenant may have any right over the Common Parts or the Museum or any neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.

4. RIGHTS EXCEPTED AND RESERVED

4.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Building and the Landlord's Neighbouring Property :

- (a) the right to support and protection from the Property;
- (b) rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
- (c) the right to use and to connect into Service Media at, but not forming part of, the Property which are in existence at the date of this lease or which are installed or constructed during the term; the right to install and construct Service Media at the Property to serve any part of the Building (whether or not such Service Media also serve the Property); and the right to re-route any Service Media mentioned in this clause;
- (d) the right to erect scaffolding at the Property or the Building and attach it to any part of the Property or the Building in connection with any of the Reservations;
- (e) the right after consultation with the Tenant to attach any structure, fixture or fitting to the boundary of the Property in connection with any of the Reservations;
- (f) the right to temporarily re-route any means of access to or egress from the Property or the Building and to temporarily change the areas over which the Rights mentioned in clause 3.1(a) are exercised; and
- (g) the right to re-route and replace any Service Media over which the Rights mentioned in clause 3.1(f) are exercised; and
- (h) the right to enter the Property so far as is necessary to access the museum store on the first floor and those parts of the Museum located in the basement
- (i) the right to pass and repass on foot across the Balcony SUBJECT always to temporary interruption to the said right in accordance with the provisions of the Community Use and Management Agreement;
- (j) the right to pass and repass on foot across those parts of the Property that form part of the Circulation Route SUBJECT always to temporary interruption to the said right in accordance with the provisions of the Community Use and Management Agreement;
- (k) the right to pass and repass on foot across the Tenant's Property at any time in order to access the plant room in the basement of the Building;

- (l) the right to use the services and facilities offered by the Tenant from the Café in accordance with the provisions of the Community Use and Management Agreement.

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

4.2 The Landlord reserves the right to enter the Property:

- (a) to repair, maintain, install, construct re-route or replace any Service Media or structure relating to any of the Reservations; and
- (b) to carry out any works to the Common Parts, the Central Gallery, the Terrace or the Museum;
- (c) for any other purpose mentioned in or connected with:
 - (i) this lease;
 - (ii) the Reservations; and
 - (iii) the Landlord's interest in the Property, the Building or the Landlord's Neighbouring Property;
- (d) or for any other reasonable reason

PROVIDED THAT the entry and/or carrying out of such works shall not unreasonably interrupt the Tenant's operations conducted from the Property.

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

4.4 In relation to the Reservations mentioned in clause 4.1(i) and 4.1(l) these may be exercised by the visitors to the Museum as well as any party entitled to exercise them in accordance with clause 4.3.

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

4.6 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss,

damage, injury, nuisance or inconvenience arising by reason of its exercising any of the Reservations except for:

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

5. THIRD PARTY RIGHTS

- 5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights insofar as those obligations relate to the Property and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.
- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

6. THE ANNUAL RENT

The Tenant shall pay the Annual Rent where demanded on or before the Rent Payment Date each year.

7. INSURANCE

- 7.1 The Tenant shall effect and throughout the term keep in force a policy of public liability insurance with a reputable insurance company, incorporating the standard conditions and exemptions of the insurance company to cover all claims arising from the exercise of the Permitted Use in the amount of not less than £10,000,000 (ten million pounds) in respect of any one claim and must make available to the Landlord or its agent on demand a copy of the policy or a summary of its terms and a copy of the current premium receipt.
- 7.2 Subject to clause 7.3 the Landlord shall keep the Building insured against loss or damage by the Insured Risks for the sum which the Landlord considers to be its full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure the Tenant's fixtures and contents in the Property.
- 7.3 The Landlord's obligation to insure is subject to any exclusions, limitations, excesses and conditions that may be imposed by the insurers.
- 7.4 The Tenant shall pay to the Landlord within 14 days of demand:

- (a) the Insurance Rent;
- (b) any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy.

7.5 The Tenant shall:

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

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

- (a) provide accommodation or facilities identical in layout or design so long as accommodation reasonably equivalent to and of no less area or quality than that previously at the Property and its access, services and amenities is provided; or

- (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent; or
- (c) repair or rebuild the Building after a notice has been served pursuant to clause 7.7.

7.7 If, following damage to or destruction of the Building, the Landlord acting reasonably considers that it is impossible or impractical to reinstate the Building, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall be shared between the Landlord and the Tenant in accordance with the value of each party's respective interest in the Property at the time of the relevant damage.

8. RATES AND TAXES

8.1 The Tenant shall pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:

- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
- (b) any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

8.2 The Tenant shall pay all such present and future rates, taxes and impositions payable in respect of the Building as the district valuer determines are the liability of the occupant of the Property.

8.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.

9. UTILITIES

9.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications and data and other services and utilities to or from the Property.

9.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

10. COMMON ITEMS

The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any Service Media, structures and other items not on the Building but used or capable of being used by the Building in common with other land.

11. VAT

11.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.

11.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

12. COSTS

12.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' reasonable and proper costs and expenses (incurred both during and after the end of the term) in connection with or in contemplation of any of the following:

- (a) the enforcement of the tenant covenants of this lease;
- (b) serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
- (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- (d) the preparation and service of a schedule of dilapidations in connection with this lease; or
- (e) any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it).

12.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or

any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

13. REGISTRATION OF THIS LEASE

Promptly following the grant of this lease, the Tenant shall apply to register this lease at the Land Registry. The Tenant shall ensure that any requisitions raised by the Land Registry in connection with that application are dealt with promptly and properly. Within one month after completion of the registration, the Tenant shall send the Landlord official copies of its title.

14. ASSIGNMENTS

14.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

14.2 The Tenant shall not assign part only of this lease.

14.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to all or any of the following conditions:

- (a) a condition that the assignor enters into the Community Use and Management Agreement with the Landlord regulating the matters referred to in Schedule 1 of this Lease;
- (b) a condition that the assignor (and any former tenant who because of section 11 of the Landlord and Tenant (Covenants) Act 1995 has not been released from the tenant covenants of this lease) enters into an authorised guarantee agreement which:
 - (i) is in respect of all the tenant covenants of this lease;
 - (ii) is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
 - (iii) imposes principal debtor liability on the assignor (and any former tenant);
 - (iv) requires (in the event of a disclaimer of liability of this lease) the assignor (or former tenant as the case may be) to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
 - (v) is otherwise in a form reasonably required by the Landlord;

- 14.4 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if the assignor:
- (a) is not:
 - (i) a charity; or
 - (ii) a company whose memorandum and articles of association provide for it to have a charitable purpose and objectives; or
 - (iii) an unincorporated body whose governing document provides for it to have a charitable purpose and objectives
 - (b) and cannot or will not enter into a community use and management agreement on the terms of the Community Use and Management Agreement or terms that are otherwise acceptable to the Landlord (acting reasonably).
- 14.5 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

15. UNDERLETTINGS

- 15.1 The Tenant shall not underlet any Permitted Part except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld.
- 15.2 The Tenant shall not underlet the whole of the Property.
- 15.3 The Tenant shall not underlet any Permitted Part:
- (a) together with any property or any right over property that is not included within this lease;
 - (b) at a fine or premium or reverse premium; nor
 - (c) allowing any rent free period to the undertenant.
- 15.4 The Tenant shall not underlet any Permitted Part unless, before the underlease is granted, the Tenant has given the Landlord:
- (a) a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be created by the underlease; and
 - (b) a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the LTA 1954.

- 15.5 Any underletting by the Tenant shall be by deed and shall include:
- (a) an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;
 - (b) a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
 - (c) provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease; and
 - (d) a covenant by the undertenant to comply with the terms of the Community Use and Management Agreement so far as they are relevant to the Permitted Part,

and shall otherwise be consistent with and include tenant covenants no less onerous than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld.

- 15.6 In relation to any underlease granted by the Tenant, the Tenant shall:
- (a) not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld; and
 - (b) enforce the tenant covenants in the underlease and not waive any of them.

16. SHARING OCCUPATION

The Tenant may share occupation or management of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement and also provided that the company enters into a deed of adherence with the Landlord whereby the company agrees to be bound by the terms of the Community Use and Management Agreement to ensure consistency of obligations in respect of the Property.

17. CHARGING

17.1 The Tenant shall not charge the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld.

17.2 The Tenant shall not charge part only of this lease.

18. PROHIBITION OF OTHER DEALINGS

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at the Land Registry or by reason only of joint legal ownership).

19. REGISTRATION AND NOTIFICATION OF DEALINGS AND OCCUPATION

19.1 In this clause a **Transaction** is:

- (a) any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or
- (b) the creation of any interest out of this lease, or out of any interest, derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest; or
- (c) the making of any other arrangement for the occupation of the Property.

19.2 In respect of every Transaction that is registrable at the Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall (or shall procure that) any requisitions raised by the Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title.

19.3 No later than one month after a Transaction the Tenant shall:

- (a) give the Landlord's solicitors notice of the Transaction; and
- (b) deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors; and

19.4 If the Landlord so requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

20. CLOSURE OF THE REGISTERED TITLE OF THIS LEASE

Within one month after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by the Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

21. REPAIRS

21.1 The Tenant shall keep the Property clean and tidy and in good and substantial repair and condition but shall not be required to replace any item unless it is beyond economic repair. .

21.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:

- (a) the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them; or
- (b) the insurance cover in relation to that disrepair is excluded or limited as mentioned in clause 7.3

22. DECORATION

22.1 The Tenant shall decorate the Property as often as is reasonably necessary and also in the last three months before the end of the term.

22.2 Without prejudice to the generality of clause 22.1 whenever the Landlord decorates the Common Parts on the ground floor the Tenant shall also decorate the Café Area.

22.3 All decoration to the Café Area shall be carried out using materials design and colours approved by the Landlord PROVIDED THAT the Landlord shall not unreasonably delay any decision as to whether or not the material design and colours are approved.

22.4 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.

22.5 All decoration carried out in the last three months of the term shall also be carried out to the reasonable satisfaction of the Landlord and using materials, designs and colours approved by the Landlord (such approval not to be unreasonably withheld or delayed)

23. CAFÉ FIXTURES AND FITTINGS

23.1 The Tenant shall at all times during the Contractual Term ensure that the Café is furnished with good quality high specification chairs, tables, crockery, cutlery and disposable supplies.

23.2 The Tenant shall keep in good repair and condition all chairs, tables, crockery and cutlery within the Café

24. ALTERATIONS AND SIGNS

24.1 The Tenant shall not make any alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

24.2 Without prejudice to the Landlord's discretion to refuse consent to any application made by the Tenant in accordance with clause 24.1 the Landlord shall not be obliged to grant consent to any application until the Tenant has:

- (a) obtained listed building consent in respect of the proposed alterations and supplied a copy of the consent to the Landlord; or
- (b) supplied satisfactory evidence to the Landlord to show that listed building consent is not required in respect of the proposed alterations

24.3 It is hereby agreed that the Landlord may refuse consent to any proposed alterations on the basis that the conditions attached to any planning permission or listed building consent permitting the alterations are not satisfactory in the opinion of the Landlord provided that such consent is not unreasonably withheld or delayed.

24.4 The Tenant shall not install nor alter the route of any Service Media at the Property without the consent of the Landlord.

24.5 The Tenant shall not attach any sign, fascia, placard, board, poster or advertisement to the Property so as to be seen from the Common Parts or the outside of the Building other than in such designated areas as are agreed between the Landlord and Tenant..

24.6 The Tenant shall not display any sign, fascia, placard, board, poster or advertisement in the Café without the consent of the Landlord.

25. RETURNING THE PROPERTY TO THE LANDLORD

25.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.

25.2 If the Landlord gives the Tenant notice no later than three months before the end of the term, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.

25.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.

25.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

26. USE

26.1 The Tenant shall:

- (a) not use the Property for any purpose other than the Permitted Use; and
- (b) use its reasonable endeavours to ensure that member of the public living or working within the catchment area of the Property are aware of the availability of the Property for use by the community; and
- (c) use its reasonable endeavours to secure such use in accordance with the Permitted Use so as to prevent the Property from becoming disused or abandoned.

26.2 During the hours prescribed by the Community Use and Management Agreement the Tenant must keep the Café open for business and properly cared for, and must trade actively.

26.3 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury or nuisance to

the Landlord, the other tenants or occupiers of the Museum or any owner or occupier of Neighbouring Property.

- 26.4 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.

27. MANAGEMENT OF THE BUILDING AND TENANT'S ACCOUNTS

- 27.1 So far as such matters are not covered by the Community Use and Management Agreement the Tenant shall observe all reasonable and proper regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant relating to the use of the Common Parts and the management of the Building.

- 27.2 Without prejudice to the generality of clause 27.1 the Tenant covenants to comply with all of the obligations imposed on it by the Community Use and Management Agreement.

- 27.3 Nothing in this lease shall impose or be deemed to impose any restriction on the use of the Museum save as provided for by clause 32.3 of this Lease.

- 27.4 Each financial year the Tenant shall serve on the Landlord a copy of its annual accounts within six months of the Tenant's accounting reference date .

28. COMPLIANCE WITH LAWS

- 28.1 The Tenant shall comply with all laws relating to:
- (a) the Property and the occupation and use of the Property by the Tenant;
 - (b) the use of all Service Media and machinery and equipment at or serving the Property;
 - (c) any works carried out at the Property; and
 - (d) all materials kept at or disposed from the Property.

- 28.2 Without prejudice to the generality of clause 28.1 the Tenant shall comply with all laws relating to licensing, health and safety, planning, building regulations and listed building consents.

- 28.3 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.

- 28.4 Within ten working days after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) the Tenant shall:
- (a) send a copy of the relevant document to the Landlord; and
 - (b) in so far as it relates to the Property and it is not the responsibility of the Landlord pursuant to this lease or by law, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.
- 28.5 The Tenant shall not apply for any planning permission for the Property without the consent of the Landlord.
- 28.6 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file.
- 28.7 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 28.8 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 28.9 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.
- 28.10 The Landlord may enter the Property on reasonable prior notice (save in the case of emergency) to assess whether the Tenant has complied with its obligations under this clause 28 and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to compliance with laws.
- 28.11 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works

with all due speed, then the Landlord may enter the Property and carry out the works needed.

- 28.12 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.

29. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS

- 29.1 The Tenant shall not grant any right or licence over the Property to any person nor permit any person to make any encroachment over the Property.

- 29.2 The Tenant shall not obstruct the flow of light or air to the Property.

- 29.3 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or any other part of the Building or that the means of access to the Building is enjoyed with the consent of any third party.

- 29.4 The Tenant shall immediately notify the Landlord if any person takes or threatens to take any action to obstruct the flow of light or air to the Property.

30. BREACH OF REPAIR AND MAINTENANCE OBLIGATIONS

- 30.1 The Landlord may enter the Property on reasonable prior notice (save in the case of emergency to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.

- 30.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.

- 30.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.

- 30.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 33.

31. INDEMNITY

- 31.1 The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or the Common Parts with the actual or implied authority of any of them.
- 31.2 The Landlord must give the Tenant reasonable notice of any claim or demand and no admission of liability, settlement or compromise is to be made without the consent of the Tenant.

32. LANDLORD'S COVENANTS

- 32.1 The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.
- 32.2 The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Landlord shall keep the Common Parts, the Central Gallery and the Terrace in good repair and condition.
- 32.3 The Landlord covenants with the Tenant, that the Landlord shall not use the Museum for any purpose other than a use which the Landlord considers will generate:
- (a) a broadly comparable footfall of visitors to the footfall generated immediately before any change of use; and
 - (b) users with broadly comparable characteristics to those using the Museum immediately before any change of use

33. RE-ENTRY AND FORFEITURE

- 33.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:
- (a) any rent is unpaid 28 days after becoming payable whether it has been formally demanded or not;
 - (b) any breach of any condition of, or tenant covenant, in this lease (but not of the Community Use and Management Agreement);

PROVIDED THAT (without prejudice to the Landlord's rights under this Lease):

- (i) The Landlord shall give notice to any mortgagee of the Tenant of whom the Landlord has consented pursuant to clause 17.1 before commencing any proceedings for forfeiture of this Lease or proceedings for possession of the Property; and
- (ii) If within a period of 30 days the mortgagee of the Tenant to whom the Landlord has given notice, indicates in writing to the Landlord that it wishes to remedy such breach and/or is going to take such action as may be necessary to resolve the problem complained of by the Landlord, the Landlord shall allow 30 days from the date of the mortgagee's notice to the Landlord (or such longer time as may be reasonable in view of the nature and extent of the breach) to remedy such breach and take the action necessary to resolve such problem.

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

34. LIABILITY

34.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

34.2 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

34.3 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.

35. EXCLUSION OF REPRESENTATIONS

- 35.1 The Tenant acknowledges that in entering into this lease it has not relied on, nor shall have any remedy in respect of, any statement or representation made by or on behalf of the Landlord.
- 35.2 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property or the Common Parts may lawfully be used for any purpose allowed by this lease.
- 35.3 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

36. NOTICES, CONSENTS AND APPROVALS

- 36.1 Except where this lease specifically states that a notice need not be in writing, or where notice is given in an emergency, any notice given pursuant to this lease shall be in writing.
- 36.2 A written notice shall be delivered by hand or sent by pre-paid first class post or recorded delivery and in the case of the Landlord shall be marked for the attention of the Senior Estates Surveyor. A correctly addressed notice sent by pre-paid first class post shall be deemed to have been delivered at the time at which it would have been delivered in the normal course of the post.
- 36.3 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.
- 36.4 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:
- (a) it is given in writing and signed by a person duly authorised on behalf of the Landlord; and
 - (b) it expressly states that the Landlord waives the requirement for a deed in that particular case.

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

- 36.5 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:
- (a) the approval is being given in a case of emergency; or

(b) this lease expressly states that the approval need not be in writing.

36.6 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

37. GOVERNING LAW AND JURISDICTION

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

37.2 The parties 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).

38. DISPUTES

38.1 The Parties shall use reasonable endeavours to resolve any Dispute arising in relation to this Lease without serving a Dispute Notice.

38.2 Neither Party shall be entitled to serve a Dispute Notice until any process for resolving disputes set out in the Community Use and Management Agreement has been exhausted.

38.3 Subject to clause 38.2 either the Landlord or the Tenant shall be entitled to give a Dispute Notice in relation to any Dispute.

38.4 If the Parties do not agree upon the type of Specialist or the identity of the Specialist the question may be referred by either party to the president of the Royal Institution of Chartered Surveyors or his deputy who shall determine the question and/or nominate an appropriate Specialist.

38.5 Unless the Parties otherwise agree the reference to a Specialist shall be made to him as an arbitrator under the Arbitration Act 1996 but if the parties agree to the Specialist acting as an expert his decisions shall (save in the case of manifest error) be final and binding upon the parties.

38.6 The liability for paying all costs of referring a Dispute to a Specialist including costs connected with the appointment of the Specialist shall be decided by the Specialist.

38.7 If the Specialist should die or become unwilling to act or incapable of acting or it becomes apparent that for any reason he will be unable to determine the matter referred to him within a reasonable time after his appointment his appointment shall be terminated and either the Landlord or the Tenant shall be entitled to apply for another specialist to be appointed.

39. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999.

40. LANDLORD AND TENANT (COVENANTS) ACT 1995

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

41. LANDLORD'S CHARITIES ACT CERTIFICATE AND LIMIT ON LIABILITY

41.1 Part of the land leased is held by the Landlord in trust for Hitchin Town Hall Gymnasium and Workmans Hall Trust, a non exempt charity but this Lease is one falling within section 117(3) of the Charities Act 2011.

41.2 The Landlord as trustee of Hitchin Town Hall Gymnasium and Workmans Hall Trust certifies that it has the power under its trust to effect this disposition and that it has complied with the provisions of the said sections 117-121 so far as it is applicable to this disposition in respect of the Trust Land.

41.3 The parties acknowledge that:

(a) the Trust is held by the Landlord as trustee of the Trust in accordance with the terms of the Trust

(b) the liability of the Landlord under this Lease or otherwise in respect of the Trust is limited to the assets of the Trust from time to time.

42. TENANT'S CHARITIES ACT CERTIFICATE AND LIMIT ON LIABILITY

42.1 The land leased will as a result of this Lease be held by Hitchin Town Hall Limited a non exempt charity and the restrictions on dispositions imposed by sections 117-121 of the Charities Act 2011 will apply to that land (subject to section 117(3) of that Act).

42.2 The liability of the Tenant under this Lease or otherwise is limited to the assets of the Tenant from time to time.

Schedule 1 – Matters to be recorded in the Community Use and Management Agreement

- The community use that the Tenant will deliver from the Property within the framework of the Permitted Use.
- The times and terms on which the Tenant's right to use the Central Gallery and the Terrace may be temporarily restricted or prohibited.
- The times and terms on which the Landlord's right to use the Balcony may be temporarily restricted or prohibited.
- The times at which the Café Area will be open and made available for use by the Landlord and the Landlord's visitors and the minimum facilities that it will offer.
- Arrangements for:
 - heating the internal areas of the Building and cleaning, maintaining, repairing and replacing heating machinery and equipment serving the Building;
 - providing air conditioning for the internal areas of the Building and cleaning, maintaining, repairing and replacing air conditioning equipment serving the Building;
 - cleaning, maintaining and repairing the Common Parts including all service media forming part of the Common Parts
 - cleaning the outside of the windows of the Building;
 - lighting the Common Parts and cleaning, maintaining, repairing and replacing lighting machinery and equipment on the Common Parts;
 - cleaning, maintaining, repairing and replacing refuse bins on the Common Parts and waste removal generally;
 - cleaning, maintaining, repairing, operating and replacing security machinery and equipment (including closed circuit television) on the Common Parts;
 - cleaning, maintaining, repairing, operating and replacing fire prevention, detection and fighting machinery and equipment and fire alarms on the Common Parts;
 - cleaning, maintaining, repairing and replacing the lifts and lift machinery and equipment on the Common Parts;
 - decorating the internal areas of the Common Parts;
 - cleaning, maintaining, repairing and replacing the floor coverings on the internal areas of the Common Parts;
 - cleaning, maintaining, repairing and replacing the furniture and fittings on the Common Parts;
 - cleaning, maintaining, repairing and replacing the furniture, fittings and equipment in the lavatories and washrooms on the Common Parts and providing hot and cold water, soap, paper, towels and other supplies for them;
 - providing security reception cleaning and maintenance staff for the Building.

This list of arrangements is not exhaustive and the Community Use and Management Agreement may regulate other aspects of the operation of the Building.

The Community Use and Management Agreement shall set out whether the Landlord or the Tenant is to be responsible solely or jointly for providing and paying for the various costs of the operation of the Building .

Executed as a deed by affixing the seal of NORTH HERTFORDSHIRE DISTRICT COUNCIL in the presence of:

.....
Authorised signatory

Executed as a deed by HITCHIN TOWN HALL LIMITED acting by two directors or a director and the company secretary

.....
Director

.....
Director **OR** Secretary