

Dated

2022

J. E. PICCAVER & CO (GEDNEY MARSH)
and
DJT PLANTS LTD

FARM BUSINESS TENANCY
relating to
Land and buildings at

Particulars

Part A

Land Registry Prescribed Clauses

LR1	DATE OF LEASE	2022
LR2	TITLE NUMBER(S)	
LR2.1	Landlord's title number(s)	LL319882
LR2.2	Other title numbers	LL339007 and LL339008
LR3	PARTIES TO THIS LEASE	
	"Landlord"	J.E. PICCAVER & CO (GEDNEY MARSH) (Company no: 00483865) whose registered office is at
	"Tenant"	DJT PLANTS LIMITED a company incorporated and registered in England and Wales with company number 09111259 and whose registered office is at
	"Guarantor"	None
LR4	"PROPERTY"	The premises described in clause 1.1 and defined as the Holding
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.		
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:	Leasehold Reform Act 1967 Housing Act 1985 Housing Act 1988 Housing Act 1996
LR6	TERM FOR WHICH THE PROPERTY IS LEASED	A term of days and years beginning on the date of this Agreement and expiring on 28 September 2039.
LR7	PREMIUM	None.
LR8	PROHIBITIONS OR RESTRICTIONS ON DISPOSING OF THIS LEASE	This Agreement 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	The rights set out in clause 11.
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 Schedule 3
LR11.2	Easements granted or reserved by this Lease over the Property for the benefit of other property	As set out in Schedule 2
LR12	ESTATE RENT CHARGE 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	Not applicable

Part B

Date of Agreement

Parties

The Landlord

J. E. PICCAVER & CO. (GEDNEY MARSH) (Company Registration No: 00483865) whose registered office is at

The Tenant

DJT PLANTS LIMITED (Company Registration No: 09111259) whose registered office is at

The Holding

Land and buildings at shown with red, blue, and green edging and shaded pink on Plan 1 and described in Schedule 1

Total acreage/hectares

13.83 ha (34.17 acres)

Permitted Purpose

Agriculture including but not limited to the propagation breeding growing packaging and processing of and research into cannabis for medicinal purposes and associated works under Licence unless the Landlord gives written consent in advance to an alternative use

The Term

From and including the First Day of the Term to and including the Last Day of the Term

The First Day of the Term

The Date of signing this Agreement

The Last Day of the Term

28 September 2039

Rent

£117,500 per annum provided that the Initial Rent shall be reduced by a rebate equivalent to £12,000 (Twelve thousand pounds) per annum until such time as the Tenant commences occupation of the Old Chitting Shed (shown edged in blue and shaded pink on Plan 1) and a rebate of £53,750 or such appropriate proportion (calculated at £4,300 per hectare of productive or developed land) per annum until the Tenant commences occupation of part or all of the land edged in green and shaded pink on Plan 1 payable as specified in Clause 2.1 and any new rent fixed under Schedule 5.

Rate of Interest (the "Prescribed Rate")

4% above the base lending rate from time to time of Barclays Bank plc

Head Lease

means the lease dated 12 July 2010 and made between (1) South Yorkshire Pension Authority and (2) J. E. Piccaver & Co. (Gedney Marsh) and as varied by the Deed of Variation dated 7 April 2022 made between (1) South Yorkshire Pensions Authority and (2) J E Piccaver and Co (Gedney Marsh)

Head Landlord

means South Yorkshire Pension Authority of Oakwell House
2 Beevor Court Pontefract Road Barnsley South Yorkshire
S71 1HG

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THIS AGREEMENT is made on day 2022

BETWEEN:

- (1) **J. E. Piccaver & Company (Gedney Marsh)** (Comp. Registration No. 00483865) whose registered office is at ("the **Landlord**"); and
- (2) **DJT Plants Limited** (Comp. Registration No.) 09111259) whose registered office is at ("the **Tenant**").

1 PRELIMINARY

1.1 In this Agreement:

"**1995 Act**" means the Agricultural Tenancies Act 1995

"**AA 2020**" means Agriculture Act 2020.

"**Access Premium**" means a sum equivalent to five twelfths of Ten (10%) percent of the Rent demanded or payable on the Last Day of the Term.

"**Break Date**" means 28 September in any year of the Term at least 12 months after the service of a Break Notice.

"**Break Notice**" means not less than 12 months written notice to terminate this Tenancy on a Break Date being 28 September in any year of the Term.

"**Basic Payment Scheme**" means the basic payment scheme as defined in section 7 of the Agriculture Act 2020 and any similar substituted scheme, including any such scheme established under the AA 2020 and any statutory instrument enacted under the AA 2020 and any subsequent legislation including any legislation on De-linking and Lump Sum Payments.

"**DEFRA**" means the Department of Environment Food and Rural Affairs and shall include where appropriate the authority responsible for administering the Basic Payment Scheme.

"**Conditions for Entry**" the conditions to which any right to enter granted in Schedule 3 or excepted and reserved by Schedule 2 is subject, namely that the right shall be subject to the person exercising the right:

- a) effecting entry at a reasonable time (or at any time in an emergency);
- b) giving reasonable notice to the person whose premises are being entered (not being less than 7 working days) (but no notice need be given in an emergency);
- c) causing as little damage as possible to the premises being entered and promptly making good any damage caused to the reasonable satisfaction of the person whose premises are being entered;
- d) complying with any reasonable requirements of the person whose premises are being entered in relation to the exercise of the right of entry; and
- e) if the entry is to the Holding
 - a. Complying with any requirements of the Licence; and
 - b. Always accompanied by a representative of the Tenant at all times.

SAVE THAT in the event that the Head Landlord wishes to exercise its right to enter the premises under the terms of the Head Lease the Conditions for Entry shall not apply where they are inconsistent with the terms of the Head Lease.

"**De-Linking**" means the proposed change to payments currently made under the Basic Payment Scheme whereby such payments will de-linked from the Basic Payment Scheme and no longer

dependent upon the occupation of land but will be paid to the recipient according to such regulations as are to be determined by Defra.

"Enactment" means:

- (a) any Act of Parliament
- (b) any Statutory Instrument and
- (c) any European Union legislation or decree or other supranational legislation or decree having effect as law in the United Kingdom

and references (whether specific or general) to any Enactment include any statutory modification or re-enactment of it for the time being in force and any order instrument plan regulation permission or direction made or issued under it or under any Enactment replaced by it or deriving validity from it.

"Entitlements" means payment entitlements for subsidy payment under the Basic Payment Scheme and any similar replacement entitlements and including any replacement entitlements established under domestic legislation.

"Environmental Land Management scheme" means the schemes through which public funds will be paid to farmers, (and others) for managing their land in a way that will enhance the environment and mitigate climate change as defined in Clause 1 of the AA 2020 and to be specifically defined in subsequent legislation.

"First Day of the Term" means 2022

"First Rent Day" means 2022

"Holding" means all that Land and buildings at shown with red, blue, and green edging and shaded pink on Plan 1 and described in Schedule 1.

"Initial Rent" shall be the sum of £117,500 per annum provided that the Initial Rent shall be reduced by a rebate equivalent to £12,000 (Twelve thousand pounds) per annum until such time as the Tenant commences occupation of the Old Chitting Shed (marked blue on Plan 1) and a rebate of £53,750 or such appropriate proportion (calculated at £4,300 per hectare) per annum until the Tenant utilises or commences production on part or all of the land coloured green on Plan 1 and any new rent fixed under Schedule 5.

"Last Day of the Term" means 28 September 2039.

"Landlord's Estate" means the Landlord's holding, to which the Holding forms a part and which is registered under title numbers LL319882 and LL339007.

"Licence" means a licence issued by the Home Office of Her Majesty's United Kingdom Government to grow and otherwise deal with Cannabis issued on a yearly basis during the Term.

"Home Office" means the relevant office from time to time of the UK HM Government dealing with licences to grow cannabis.

"Lump Sum Payment" means a proposed change to Basic Payment Scheme whereby recipients will be offered a capitalised lump sum which could include all remaining direct or de-linked payments of Basic Payment Scheme up until the end of the Transition Period.

"LTA 1954" means Landlord and Tenant Act 1954.

"Plan 1" means the plan attached to this Agreement and marked "Plan 1".

"**Plan 2**" means the plan attached to this Agreement and marked "Plan 2".

"**Prescribed Rate**" means the base rate for the time being of Barclays Bank PLC plus 4%.

"**Permitted Purpose**" means including but not limited to the propagation breeding growing packaging and processing of and research into cannabis for medicinal purposes and associated works under the Licence and such other uses or purposes for which the Landlord gives written consent in advance.

"**Rent**" means the rent from time to time payable under this Agreement and any new rent fixed under Schedule 5.

"**Rent Days**" mean 25 December, 25 March, 24 June and 29 September in each year of the Term.

"**RMV's**" means residual manorial values.

"**BPS**" means Basic Payment Scheme.

"**Service Media**" means all media for the supply or removal of heat, smoke, electricity, gas, water, sewage, air conditioning, energy, telecommunications, television, data and all other services and utilities and all structures, machinery and equipment ancillary to those media

"**Tenancy**" means the tenancy granted by the Landlord to the Tenant pursuant to the provisions of this Agreement.

"**Term**" means the period from and including the First Day of the Term until and including the Last Day of the Term.

"**Transition Period**" means a period set out in AA 2020 during which Basic Payment Scheme will be phased out to be replaced by Environmental Land Management Scheme commencing in 2021 and continuing to the end of 2027 unless extended by Defra.

"**UMV's**" means unexhausted manorial values.

- 1.2 The Landlord includes the person who, at any particular time, is entitled to receive the rent payable under this Agreement.
- 1.3 The Tenant includes the person who, at any particular time, has the right to occupy the Holding on the terms of this Agreement.
- 1.4 At any time when the Landlord or the Tenant is more than one person their obligations and covenants can be enforced against all of them jointly and against each of them individually.
- 1.5 The Landlord and Tenant agree for the avoidance of any doubt that the tenancy created by this Agreement will not trigger the overage or pre-emption agreement both dated 12 July 2010 and made between the Head Landlord (1) and Landlord (2).

2 LETTING

- 2.1 The Landlord lets the Holding with full title guarantee to the Tenant from the First Day of the Term for the Term.
- 2.2 The Landlord reserves the rights set out in Schedule 2 for the Landlord's own benefit. In all cases the Landlord may exercise the rights personally or may authorise some other person to exercise them on his or her behalf. In all cases the Landlord will repair and make good any damage caused by the exercise of the Landlord's rights.

- 2.3 The Landlord grants the Tenant the rights set out in Schedule 3 in common with all others entitled to the same rights but to the exclusion of any other rights easements quasi-easements or rights in the nature of easements.
- 2.4 The Holding is let subject to the stipulations and covenants set out in Schedule 4 so far as they relate to the Holding and are enforceable against an owner or occupier of the Holding and the Tenant will keep the Landlord indemnified against all costs and liabilities in respect of them.

3 PAYMENTS

- 3.1 The Tenant will pay the Rent (and any new rent fixed under Schedule 5) to the Landlord in advance by equal instalments by bankers' standing order (or by direct debit if the Landlord requires) on the Rent Days with the first payment of rent (or a duly apportioned part of it) to be made on the First Rent Day.
- 3.2 The Tenant will pay each instalment of Rent on the Rent Days without making any deduction of any kind from it (including any legal or equitable set-off).
- 3.3 The Rent payable by the Tenant shall remain fixed until 29 September 2025 and thereafter shall be reviewed under Schedule 5.
- 3.4 The Tenant will, subject to the provisions of Clause 9.5, pay all rates (including but not limited to drainage rates) taxes or other sums payable in respect of the Holding (except any tax or other sum payable by the Landlord in respect of Rent received or in respect of any dealing with the Landlord's interest in the Holding) and all charges for electricity and water used by the Tenant on the Holding.
- 3.5 The Tenant will pay interest on any Rent arrears or other money due under this Agreement at the Prescribed Rate from the date when payment should have been made until the date when payment is actually made.
- 3.6 The Tenant will pay to the Landlord on demand and indemnify the Landlord against all expenses incurred by the Landlord in connection with any steps taken or contemplated by the Landlord consequent upon a breach of covenant by the Tenant (even if forfeiture is avoided other than by relief granted by the court).
- 3.7 The Tenant will pay to the Landlord on demand and indemnify the Landlord against all expenses incurred by the Landlord in connection with any consent sought under the terms of this Agreement whether or not consent is granted, unless such consent is unreasonably withheld or delayed.
- 3.8 The amounts specified in this Agreement are exclusive of VAT and wherever in this Agreement there is a covenant by the landlord or Tenant to pay any sum which is a taxable supply, VAT shall be payable under the issue of a valid VAT invoice.

4 USE AND MANAGEMENT OF THE HOLDING

- 4.1 The Tenant:
- 4.1.1 will use the Holding for the Permitted Purpose unless the Landlord gives written consent in advance to an alternative use (such consent not to be unreasonably withheld or delayed in the event that the use is agricultural or ancillary to the Permitted Purpose).
- 4.1.2 will destroy and remove any cannabis from the Underlet Property as soon as reasonably practicable if the Licence is determined or the Home Office requires the destruction of the crop.
- 4.1.3 will not allow any part of the Holding to be used for the display of advertisements or for camping or the parking of vehicles or caravans or for the purpose of fairs festivals sporting events rallies or other public events.

- 4.1.4 will use or farm the Holding or part of it for the purposes of a trade or business throughout the Term.
- 4.2 For as long as it occupies the Holding the Tenant will comply with the provisions relating to good husbandry set out in Schedule 10, and any additional terms relating to conservation and to the cultivation and management of the Holding contained in Schedule 10.
- 4.3 The Tenant will not remove any turf topsoil stone or gravel from the Holding.
- 4.4 The Tenant will use all reasonable endeavours to keep:
- (i) the Holding free from disease or infestation by pests and will destroy rabbits moles and other vermin and will spread any molehills and anthills on the Holding; and
 - (ii) the buildings and yards situate on the Holding free from infestation of rats and other vermin.
- 4.5 The Tenant will destroy wild oats and all thistles nettles and other injurious weeds to which the Weeds Act 1959 applies.
- 4.6 The Tenant:
- 4.6.1 will not allow anything to be done or to remain on the Holding which might cause nuisance disturbance or damage to the Landlord or the occupier of any adjoining land or to users of any road on or adjoining the Holding save that this shall not prevent the Tenant from carrying out the Permitted Purpose on the Holding.
 - 4.6.2 will not plough up or obstruct any public road or footpath or any right of way lawfully enjoyed by the Landlord or any other person.
 - 4.6.3 will not allow anything to be done on the Holding which might cause the pollution of any watercourse or any supply of water.
- 4.7 The Tenant:
- 4.7.1 will do everything necessary to comply with the requirements of any Enactment relating to the conduct of the Tenant's business on the Holding.
 - 4.7.2 will comply with any Enactment concerning the pollution of the environment including water air noise or soil pollution or contamination or concerning the use of chemical sprays pesticides or fertilisers or concerning the burning of straw or stubble.
 - 4.7.3 will comply with any Enactment relating to town and country planning.
 - 4.7.4 will comply with any proper notice order or direction given in relation to the Holding and will comply with any bye-laws statutory provisions or regulations which apply to the Holding including any compulsory provisions relating to the welfare of livestock.
- 4.8 The Tenant will take all reasonable steps to prevent acts of trespass on the Holding and to prevent any new footpaths or other easements or rights of way from being acquired over the Holding and will notify the Landlord in writing of any encroachments or repeated acts of trespass on the Holding.
- 4.9 The Tenant:
- 4.9.1 will do nothing to harm any game deer and fish or any wildfowl and wild birds listed in Part I of the Second Schedule to the Wildlife and Countryside Act 1981 (including their nests and eggs).

4.9.2 will control rabbits mink wood pigeons and other pests on the Holding and compensate the Landlord for any claims made by the owners or occupiers of adjoining land because of damage done by such animals or birds.

4.10 The Tenant will:-

4.10.1 take all steps necessary to preserve and continue any licences permits or consents in existence at the start of this Agreement which are of benefit to the Holding

4.10.2 secure any licences, permits, consents required under or relating to his obligations under clause 4.10 during the term and take any steps necessary to preserve or continue such licences, permits or consents.

4.10.3 permit the Landlord's agent to inspect and take copies of all such documents

4.10.4 transfer the licences, permits or consents to the Landlord or incoming Tenant at the end of the Tenancy,

but for the avoidance of any doubt this does not include the Licence.

The Landlord gives no warranty that the Holding has planning permission for the Permitted Purpose and the Tenant shall secure all necessary consents and permissions or licences required for the Permitted Purpose and shall abide by all statute, regulation, code of practice relating to the Permitted Purpose or any of the tenants activities on the Holding and shall indemnify the Landlord against any breach or loss suffered as a result of the Tenant exercising the Permitted Purpose.

5 REPAIRS, ALTERATIONS AND INSURANCE

The Tenant covenants with the Landlord:

5.1 To renew replace repair maintain and keep in clean, tidy, good and substantial condition throughout the tenancy using materials of suitable quality all those parts of the Holding identified in Schedule 6 as being the responsibility of the Tenant

5.2 If the Tenant fails to do any work which this Agreement requires him to do and the Landlord gives him written notice to do it the Tenant agrees:

5.2.1 To start the work within two months or immediately in the case of an emergency; and

5.2.2 To proceed diligently with the work until it is completed; or

5.2.3 If the Tenant fails to comply with the notice, to permit the Landlord to do the work (subject to complying the Conditions for Entry) and recover the reasonable cost from the Tenant.

5.3 For all those parts of the Holding identified in Schedule 6 as being the responsibility of the Landlord to repair, the Tenant agrees to take reasonable care to avoid those parts of the Holding becoming damaged by any deliberate, reckless or negligent act or behaviour by the Tenant or any person permitted to be on the Holding by the Tenant.

5.4 Except with the prior written consent of the Landlord and subject to the provisions of this Tenancy the Tenant will not remove or make any structural alteration or addition to any existing building or fixed equipment on the Holding or put up any new building or make any other improvement to the Holding other than those listed in part 2 of Schedule 8 provided always the Landlord may as a condition of giving any consent under this clause require the Tenant to give covenants relating to the execution of any works and their reinstatement (unless the Landlord otherwise requires) at the end of the Term in accordance (if the Landlord requires) with a schedule of condition and plans.

5.5 Before making any alteration or addition to the Holding the Tenant will first obtain all statutory

or other consents (including without limitation to the foregoing consent from the Head Landlord) required for the carrying out of such work and provide copies to the Landlord and then all work will be carried out in a good and workmanlike manner using appropriate materials and in accordance with all statutory or other consents.

- 5.6 The Tenant will comply with the terms of all consents required for the carrying out of such work and will compensate the Landlord on a full indemnity basis for any loss damage or expense incurred by the Landlord as a result of any breach by the Tenant of his obligations under this clause, the Landlord mitigating its loss as is reasonably possible.
- 5.7 Before making any tenant's improvement (as defined in Section 15 of the Act) the Tenant may (at its own discretion) obtain any grants subsidies or other payments which may be available in respect of the tenant's improvement out of public money.
- 5.8 The Tenant shall prior to the end of the Term (howsoever determined) remove the "Tenant Fixtures" (as defined at Part 1 of Schedule 8) and at its own expense reinstate the Holding to the reasonable satisfaction of the Landlord in a good and workmanlike manner using suitable materials of satisfactory quality to the condition in which they were in before the installation of the "Tenant Fixtures" provided that if the Tenant gives to the Landlord written notice on or before 1 September 2039 accompanied by payment of the Access Premium in cleared funds, the Tenant shall be entitled to access the Holding by way of licence only following the expiry of the Term until no later than 28 February 2040 for the purposes of undertaking the removal of the "Tenant Fixtures" and reinstatement works in order to put the Holding in the state required by this Tenancy (the Tenant also paying any other outgoings attributable to the Tenant's use of the Holding during this period including without limitation to the foregoing any diesel gas water and electricity utilised by the Tenant or a fair proportion of any such costs and expense where shared with other parties to the Landlord on demand). In the event that the Tenant ceases to require access to the Holding earlier than 28 February 2040 and provides written notice to that effect to the Landlord, the Landlord shall provide a rebate of part of the Access Premium calculated on a day rate of the number of days from receipt of the said notice to 28 February 2040.
- 5.9 The Tenant:
- 5.9.1 will not remove or damage any fence hedge field wall or boundary on the Holding (other than those erected by the Tenant as Tenant's Fixtures) unless the Landlord gives written consent in advance (such consent not to be unreasonably withheld or delayed).
- 5.9.2 will prevent trees or saplings on the Holding from being injured or damaged or injured in any way and if any tree or sapling is damaged or injured the Tenant will replace it with equivalent stock on the first suitable occasion.
- 5.9.3 will give written notice to the Landlord of any dead or dangerous tree on the Holding.
- 5.10 The Tenant agrees to keep the buildings and fixed equipment as set out in Schedule 6 on the Holding insured and such insurance
- 5.10.1 Shall be with a reputable insurance company;
- 5.10.2 Shall be against loss or damage by fire and such other risks as the Landlord may from time to time reasonably require;
- 5.10.3 Where it relates to buildings on the Holding shall be for an amount equal to their full reinstatement cost (including all professional fees and the cost of any work which might be required by or by virtue of any Enactment)
- 5.11 Where the Tenant is responsible for insurance the Tenant agrees:
- 5.11.1 To produce to the Landlord on demand the policy of insurance maintained by the Tenant and the receipt for the last premium payable for it;

- 5.11.2 Subject to obtaining all necessary planning and other relating consents from public bodies, to reinstate or replace any building or other item destroyed or damaged by any risk against which the Tenant was required to insure and to cause all money received in respect of such damage or destruction to be expended in carrying out the required reinstatement or replacement; and
- 5.11.3 In case it shall be impossible or impracticable to reinstate any building or item on the Holding in accordance with sub clause 5.11.2 above any money received under the policy of insurance shall be divided between the Landlord and the Tenant in proportion to the value at the date of the damage or destruction of their respective interests in the building or item in question. The Tenant agrees to insure for its own livestock crops fixtures plant and equipment.
- 5.12 The Tenant agrees to take out and maintain insurance for against all third-party public and occupiers and product liability risks for the sum of £10,000,000 per claim or such other sum as the Landlord may from time to time reasonably prescribe with an insurance company approved by the Landlord (such approval not to be unreasonably withheld or delayed).
- 5.13 The Tenant will not knowingly do anything which may make any insurance policy on the Holding (or on any neighbouring property of the Landlord) void or voidable or which may increase the rate of premium and the Tenant will pay any reasonable and commercial increased premium and expenses incurred in renewing any policy as a result of a breach of this obligation by the Tenant.
- 5.14 The Tenant will inform the Landlord in writing upon the Tenant becoming aware of it of anything which might affect the Landlord's insurable interest in the Holding and any incidence of a risk against which the Holding is insured.

6 ASSIGNMENT AND SUBLETTING

- 6.1 The Tenant may not assign sublet or part with possession or occupation or charge part only of the Holding provided that the Tenant may permit the use of any part of the land edged green on Plan 1 by A H Worth Ltd on an annual cropping licence until such time as it is developed or utilised for the Tenants business.
- 6.2 The Tenant may not assign sublet or part with possession or occupation of the whole of the Holding without the Landlord's prior written consent at the Landlord's absolute discretion save that the Tenant may assign the whole of this tenancy to a company within the same corporate group as the Tenant.
- 6.3 The Tenant may not enter into any partnership, share-farming, management or cropping agreement or any other joint venture (other than as provided under 6.1 above) entitling any third person to share occupation of or utilise the whole or any part of Holding unless the Landlord has given written consent in advance such consent to be at the Landlord's absolute discretion.

7 ACCESS AND INFORMATION

- 7.1 The Tenant will allow the Landlord to have access to the Holding subject to the Conditions for Entry for the purpose of:
 - 7.1.1 Inspecting the condition of the Holding;
 - 7.1.2 Carrying out any works which the Landlord is obliged or entitled to carry out under this Agreement;
 - 7.1.3 Carrying out any works to any property belonging to the Landlord which adjoins the Holding;
 - 7.1.4 Taking soil or water samples; and
 - 7.1.5 Exercising any of the rights reserved to the Landlord in Schedule 2 of this Agreement.

In all cases the Landlord shall repair and make good any damage caused to the Holding or the crops situate on the Holding by the exercise of the Landlord's rights of access and avoid as far as reasonably practicable causing any disruption to the continuity in supply of the produce grown on the Holding and where such damage cannot be made good the Landlord shall forthwith on demand pay reasonable compensation to the Tenant.

- 7.2 Immediately on becoming aware of any such matter the Tenant must inform the Landlord in writing of any notice order direction or other formal document relating to the Holding or to the management of the Holding or which is likely to affect the Landlord's interest in the Holding (including any charge made under the authority of the Agricultural Credits Act 1928) and must allow the Landlord or the Landlord's agents to make copies of all relevant documents.

8 QUITTING THE HOLDING

- 8.1 At the end of the Term the Tenant must give up possession of the Holding to the Landlord leaving it clean and tidy and in a condition consistent with the Tenant having complied with all of his obligations under this Agreement.
- 8.2 At the end of the Term when the Tenant quits the Holding the Tenant will pay compensation to the Landlord as provided for in Schedule 8.
- 8.3 In the last year of the Term the Tenant will permit the Landlord or his ingoing tenant to enter on any fields which have been harvested for the purpose of carrying out early cultivations and the Tenant shall leave that part of the Holding which has been harvested level and cleared of crop residues in accordance with standard agricultural practices including straw which shall either be chopped behind the combine or baled and removed within a reasonable period of time.
- 8.4 The Tenant undertakes to indemnify and keep the Landlord and any incoming occupier indemnified from and against all claims demands actions proceedings damages compensation tribunal awards fines costs expenses and all other liabilities howsoever and whenever arising relating to any former existing or future employee of the Tenant or any third party engaged by the Tenant to work on or in connection with the Holding (other than the Tenant) or any trade union or staff association recognised by the Tenant or any such third party.

9 LANDLORD'S OBLIGATIONS

- 9.1 For so long as the Tenant pays the Rent and complies with his obligations under this Agreement the Landlord will permit the Tenant to occupy and enjoy the Holding without any interference or disruption by the Landlord.
- 9.2 For all those parts of the Holding identified in Schedule 6 as being the responsibility of the Landlord to repair the Landlord agrees to keep those parts in good condition and repair for as long as the Tenant is entitled to occupy the Holding under this Agreement.
- 9.3 If the Landlord fails to do any work which this Agreement requires him to do and the Tenant gives him written notice to do it the Landlord agrees:
- 9.3.1 Unless crop damage is unavoidable to start the work within two months or immediately in the case of an emergency; and
- 9.3.2 To proceed diligently with the work until it is completed; or
- 9.3.3 If the Landlord fails to comply with the notice, to permit the Tenant to do the work and recover the reasonable cost from the Landlord provided always that such costs claimed from the Landlord shall not include any form of compensation for loss of crops as a result of the Landlord's breach of its obligations under this clause 9.3.3.
- 9.4 At the end of the Term when the Tenant quits the Holding the Landlord will pay compensation to the Tenant as provided for in Schedule 8.

- 9.5 The Landlord undertakes to the Tenant to pay to the Tenant on demand for the cost of all water and electricity consumed by the Landlord or those authorised or permitted by the Landlord on the Holding or the Landlord's adjoining or neighbouring property where such water or electricity is derived from a supply for which the Tenant is responsible and in the event of a dispute as to the apportionment of quantities of water or electricity consumed the matter shall be determined in accordance with the provisions of Clause 12 of this Agreement.

10 HEAD LEASE

The Tenant must observe and perform the tenant covenants in the Head Lease (to the extent that they relate to the Property and the rights set out in Schedule 2) except that this obligation shall not apply to the covenants to pay the rents reserved by the Head Lease.

11 TERMINATION OF THIS AGREEMENT

- 11.1 The Tenant may bring this Agreement to an end on any of the Break Dates by serving a Break Notice.
- 11.2 Should the Landlord have a break notice served on it by the Landlord's superior Landlord then the Landlord may serve notice on the Tenant to bring this Agreement to an end at the date specified in the notice given by the Landlord's superior Landlord a copy of which will be provided to the Tenant.
- 11.3 Following service of a Break Notice pursuant to clause 11.1 this Tenancy and the Term shall determine on the Break Date specified in the Break Notice.
- 11.4 Termination of this Tenancy on a Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this Agreement.
- 11.5 If the Tenant fails to pay the Rent or any part of the Rent for twenty one days after it becomes payable (whether formally demanded or not) or if the Tenant commits any substantial and material breach of his obligations or if a receiving order is made against him or if he is adjudicated bankrupt or if the Tenant (being a company) enters into compulsory or voluntary liquidation otherwise than for the purposes of reconstruction or amalgamation or if the Tenant (being a company) has an encumbrancer take possession or exercise or attempt to exercise any power of sale or a receiver is appointed of the undertaking assets or revenues of the Tenant or if any distress or execution is levied on the Holding then in any such case the Landlord shall be entitled (in addition to any other right) after giving to the Tenant two calendar months' prior written notice to re-enter the Holding or any part of it in the name of the whole and bring this Agreement to an end.
- 11.6 In the event of termination of the Tenancy as a result of a break notice served by the Landlord the Landlord shall pay to the Tenant on the date of the termination of this Agreement for all acts of beneficial cultivation carried out by the Tenant or all those authorised by the Tenant with the Landlord's prior consent other than acts of cultivation for leaving the land level and clear of crop residues such payments to be calculated in accordance with the rates published by the Central Association of Agricultural Valuers for the locality.
- 11.7 In the event of the Tenant no longer holding a valid or current Licence the Tenant has the right to terminate this Agreement by giving not less than 12 months' notice expiring at the end of the 12 month notice period.
- 10.11 If this Agreement terminates in accordance with the provisions of this clause 10 then, within 14 days after the Break Date, the Landlord shall refund to the Tenant the proportion of the Rent, and any VAT paid in respect of it, for the period from and excluding the Break Date up to and excluding the next Rent Payment Date, calculated on a daily basis.

12 RESOLUTION OF DISPUTES

- 12.1 Subject to clause 12.7 below any dispute between the Landlord and the Tenant concerning their rights or obligations under this Agreement or in relation to the Holding shall be determined either by an independent expert appointed under clause 12.2 below or, if no independent expert is appointed, by an arbitrator appointed under clauses 12.3 and 12.4 below.

- 12.2 After a dispute has arisen the Landlord and the Tenant may agree in writing to refer the dispute to an independent expert whose decision shall be final and binding on them. The procedure to be adopted by the independent expert (including liability for costs) shall be determined by him or her but shall include an opportunity for the parties to state their case either orally or in writing as the independent expert may direct.
- 12.3 If the Landlord and the Tenant do not agree to refer the dispute to an independent expert either party may give to the other a notice in writing specifying the dispute and requesting that agreement be reached on the identity of an arbitrator to be appointed to determine the dispute.
- 12.4 If no arbitrator or independent expert has been appointed by agreement within two months of a notice under clause 12.3 above then either the Landlord or the Tenant may apply to the President of The Royal Institution of Chartered Surveyors for the appointment of an arbitrator or independent expert by him.
- 12.5 If an arbitrator or independent expert has been appointed but subsequently dies or becomes incapable of acting for any reason the parties may appoint another in his place by agreement or alternatively either party may apply to the President of The Royal Institution of Chartered Surveyors for the appointment of a new arbitrator or independent expert.
- 12.6 Any arbitration under this Agreement shall be conducted in accordance with the Arbitration Act 1996.
- 12.7 Clause 12.1 will apply to all disputes between the Landlord and the Tenant including as to rent review under Schedule 5 and compensation for Tenants Improvements under Schedule 8.

13 ADDITIONAL MATTERS

- 13.1 The rules relating to the service of notices contained in Section 36 Agricultural Tenancies Act 1995 apply to any notice given under this Agreement so that any notice can be given to a person by delivering it to him or leaving it at his proper address or sending it to him at his proper address by any recorded delivery service.
- 13.2 Either party may serve any notice (including any notice in proceedings) on the other at the address given on page 1 of this Agreement or such other address as has previously been notified in writing.
- 13.3 This Agreement contains the whole agreement between the Landlord and the Tenant concerning the Holding and no custom of the country is to give or affect any rights of either party.
- 13.4 The Tenant will indemnify the Landlord against:
- 13.4.1 All proper and reasonable costs and liabilities incurred or suffered as a consequence of the breach of any of the Tenant's obligations contained in this Agreement;
- 13.4.2 All damage caused to the Holding or to any neighbouring premises or injury caused to any person by any act or default of the Tenant or any under-tenant or by any person on the Holding with the express or implied authority of the Tenant or any under-tenant.
- but the Landlord shall mitigate its loss wherever it is possible to do so and the Tenant will only be liable following notice by the Landlord of such breach or damage and allow the Tenant a reasonable time to make good any damage it may have caused.
- 13.5 The Landlord shall incur no liability by reason of any approval given to or inspection made of any drawings plans specifications or works prepared or carried out by or on behalf of the Tenant or any under-tenant or any predecessor in title of either of them nor shall any such approval or inspection relieve the Tenant from the Tenant's obligations whether under this Agreement or otherwise.
- 13.6 The fixtures set out in Schedule 8 are Tenant's fixtures and shall remain the property of the Tenant.
- 13.7 This Agreement is not entered into pursuant to any agreement for lease.

14 ADDITIONAL LAND

- 14.1 The Landlord and the Tenant agree that the Tenant may make a request to take a tenancy of additional land adjoining the Holding from the Landlord. Any tenancy of any additional land will be subject to consent of the Landlord's superior landlord and the Landlord shall use all reasonable endeavours to obtain their consent to the new tenancy.
- 14.2 If the Tenant requests a tenancy of additional land the Landlord and the Tenant agree subject to consent from the superior Landlord to act in good faith to agree a tenancy of that additional land on the same terms as this Agreement mutatis mutandis and at the same rent pro-rata to this Agreement.
- 14.3 The proper and reasonable costs for such an additional tenancy will be borne by the Tenant.

15 EXCLUSION OF SECTIONS 24 TO 28 OF THE LTA 1954

- 15.1 The Tenant confirms that:
- 15.1.1 before the Tenant was contractually bound to accept a grant of this Tenancy the Landlord served on the Tenant a Notice in the form set out in schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("2003 Order");
 - 15.1.2 the Tenant or a person on behalf of the Tenant made a statutory declaration in the form set out in paragraph 8 of schedule 2 to the 2003 Order; and
 - 15.1.3 the person who on the Tenant's behalf made the declaration referred to in clause 15.1.2 did so with the Tenant's authority.
- 15.2 The Landlord and the Tenant agree pursuant to section 38A(1) Landlord and Tenant Act 1954 that sections 24 to 28 of that Act are excluded in relation to the tenancy created by this Agreement.
- 15.3 There is no agreement for lease to which this Tenancy gives effect.

16 THE CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

- 16.1 The Contract (Rights of Third Parties) Act 1999 is excluded from applying to this Agreement and nothing herein confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement.

17 AGREEMENT AND DECLARATION

- 17.1 If there are any side letters relating to this transaction it is expressly agreed that although they may have legal force as representations collateral contracts or in some other way they do not form part of this Agreement.

18 COSTS

- 18.1 The Landlord and the Tenant hereby agree that they shall each be responsible for their own legal and professional costs incurred in respect of the preparation of this Agreement.

19 TENANTS COVENANTS FOR TITLE REGISTRATION

- 19.1 The Landlord and the Tenant agree that immediately after determination and at the option of the Landlord the Tenant shall either:
- 19.1.1 make an application to close the registered title of this Agreement and any expired underleases and to remove any notice of the agreement or any expired underleases and the rights granted or reserved by them from any registered title and to ensure that any requisitions raised by the Land Registry in connection with that application are dealt with promptly and properly and to keep the Landlord informed of the progress and completion of its application; or

- 19.1.2 deliver to the Landlord this Agreement and any counterpart underleases and all other title documents relating to the Holding and use all reasonable endeavours to assist the Landlord in closing the registered title of this Agreement or any expired underleases and in removing any notice of them and the rights granted or reserved by them from any registered title.

20 EXECUTION

20.1 This instrument:

- 20.1.1 Is executed as a deed and by its execution the parties authorise their solicitors to deliver it for them when it is dated
- 20.1.2 Was delivered when it was dated
- 20.1.3 Is not entered in pursuant to an agreement for lease.

Schedule 1 - The Holding

Land and buildings being 13.831 hectares of land shown edged red blue and green and shaded pink on Plan 1.

Schedule 2 - Rights reserved by the Landlord

Subject to the Conditions for Entry the following rights are reserved to the Landlord:

- 1 The exclusive right to all timber and other trees pollards and saplings on the Holding.
- 2 The exclusive right to extract and remove all minerals gravel sand or clay on or beneath the surface of the Holding. The exclusive right to all treasures or archaeological artefacts discovered on the Holding.
- 3 The exclusive right to receive the rents or other payments due to the landowner under any current or future wayleave agreement relating to any part of the Holding and the right to enter into new wayleave agreements but subject to first agreeing the route of any such wayleaves with the Tenant.
- 4 The rights of access referred to in clause 7.1 of this Agreement.
- 5 A right upon giving seven days prior notice (except in the case of emergency) to enter on to the Holding with or without workmen and vehicles or equipment for the purpose of repairing rebuilding and renewing any building structures or boundary features on any adjoining land belonging to or leased to or under the control of the Landlord, but this shall be subject to any requirements of the Licence and if felt reasonable so to do to ensure that a representative of the Tenant accompanies such workman during the course of the said works.
- 6 The right for the Landlord and the tenants or other occupiers of any adjoining or neighbouring land of the Landlord to the free passage of drainage water gas oil telecommunications and electricity from and to such other land through the existing watercourses channels drains sewers pipes cables and wires belonging to or running through the Holding
- 7 The right for the Landlord and all persons authorised by the Landlord to erect lay maintain inspect repair renew and use within upon under or over the land comprised in the Holding telecommunications and electricity lines and cables and gas oil water drainage and sewage pipes and any necessary apparatus in connection therewith respectively with full power for the Landlord and such other persons as aforesaid and the agents and workmen of the Landlord and such other persons to enter onto the Holding for the purpose of inspecting repairing replacing and renewing such lines cables pipes and apparatus respectively but at all times this is subject to ensuring that any works of this nature will not adversely affect the Tenant's occupation of the Holding and the Permitted Purpose.
- 8 The right to enter and execute repairs for which the Tenant is liable under any provision of this Agreement and which he has failed to start within two months or complete within a reasonable period depending on the repair work of being required so to do by notice in writing given by the Landlord and the whole or the proportionate part of the related expense for which the Tenant is liable (as the case may be) shall be payable by the Tenant immediately after such repairs have been executed and shall at the option of the Landlord be recoverable by action or as rent in arrears PROVIDED THAT nothing in this paragraph shall relieve the Tenant from his liability under this Agreement to execute repairs.

Schedule 3 - Rights granted to the Tenant

- 1 The Landlord grants (subject to the provisos below) to the Tenant the following rights:
- 1.1 the right to use lay and to connect into any Service Media that belong to the Landlord and serve (but do not form part of) the Holding which are in existence at the date of this Agreement or which are installed or constructed during the Term over the Landlord's Estate subject to paying a fair and reasonable proportion of any repair or replacement cost incurred by the Landlord.
- 1.2 the right to pass and repass over and along the drives accessways and yards coloured brown on Plan 1 with or without vehicles and machinery for all purposes permitted under this Tenancy and that permitted under the Head Lease subject to paying a fair and reasonable proportion of any repair or replacement cost incurred by the Landlord.
- Provided in relation to the rights mentioned in clauses 1.1 and 1.2 above, the Landlord may, at its discretion but subject to the Conditions for Entry, re-route or replace any such Service Media or change the route of the drives and accessways and the rights shall then apply in relation to the Service Media and drives and accessways as re-routed or replaced.
- Provided Further in relation to the right granted at 1.1 above, the right is granted subject to the Tenant installing separate meters for the supplies upon request from the Landlord and to paying until such time as the meters are installed a fair and reasonable proportion of the Landlord's costs for the supplies.
- Provided Always:
- (i) the Rights are granted insofar as the Landlord is able to grant them and in common with the Landlord and all persons authorised by the Landlord or otherwise entitled to exercise such (or similar) rights.
- (ii) the Tenant shall exercise the Rights in accordance with this Tenancy and only in connection with the Tenant's use of the Holding for the Permitted Purpose but not for any other purpose
- 1.3 the right for the Tenant to erect security fencing, in its absolute discretion and how it sees fit, along the boundary of the Holding.

Schedule 4 - Matters affecting freehold title

The rights exceptions reservations covenants conditions stipulations provisions agreements declarations and restrictions contained or referred to in Land Registry title numbers LL285685, LL301664, LL114305 and LL17998 the following deeds documents and certificates (except financial charges) in so far as they affect the Property.

Schedule 5 – Rent Review

1. The parties agree that the Rent shall be reviewed in accordance with the terms of this Schedule 5.
2. In this Schedule 5, unless the context requires otherwise:

“**CPIndex 1**” is the Index at the previous Review Date or for the review at 29th September 2025 the Index figure as at May 2022 and meaning the figure of 119.7.

“**CPIndex2**” is the Index 2 months prior to the relevant Review Date

‘**Index**’ means the Consumer Price Index published by the Office of National Statistics (or such other organisation that shall from time to time be responsible for the calculation and publication of the Index) or any official index replacing it or in the event of the Index being discontinued or no longer being published or the method of calculation or formulation of the Index being altered to the effect it is no longer suitable for the purpose of reviewing the rent for the Holding under this schedule 5 such similar or appropriate Index as the parties shall agree upon or in default of agreement such Index as shall be determined by an arbitrator or expert appointed in accordance with clause 6 of this Schedule.

“**relevant Review Date**” means the Review Date to which this Schedule 5 is being applied.

“**Review Date**” means the 29th September 2025 and each subsequent third anniversary of 29th September thereafter.

‘**RP**’ is the annual rent payable immediately before the relevant Review Date.

3. With effect from each Review Date the rent payable under this Agreement for the Holding shall be reviewed in accordance with the following formula:-

$$\text{Reviewed Rent} = \text{RP} \times (\text{CPIndex2}/\text{CPIndex1})$$

such amount to be calculated by the Landlord’s surveyor (whose calculation is except in case of manifest error final and binding on the Tenant).

3. The Landlord shall calculate the Reviewed Rent as soon as reasonably practicable and shall give the Tenant written notice of the Reviewed Rent as soon as it has been calculated.
4. With effect from each and every relevant Review Date the rent payable under this Agreement shall be the Reviewed Rent for the Holding at that relevant Review Date.
5. Time shall not be of an essence in relation to the taking of any action or performance of any obligation pursuant to this Schedule.
6. In the event of the parties failing to agree the Reviewed Rent or The Index in the event of the ‘Consumer Price Index’ no longer being available the matter shall be determined by either an independent expert or arbitrator appointed under clause 12 of this Agreement
7. The Reviewed Rent to be determined by the Arbitrator or independent expert shall be the Rent reviewed in accordance with the formula set out in clause 3 of this Schedule and any decision (including a decision as to costs) shall be final.
8. If, by any Review Date the Reviewed Rent has not yet been ascertained under paragraph 3 above the right to a rent review will continue, and until the review takes place the Tenant shall continue to pay the Rent which was payable immediately before that relevant Review Date. Fourteen days after the Reviewed Rent has been ascertained the Tenant shall pay to the Landlord or the Landlord shall reimburse to the Tenant as the case may be any accrued difference between the Reviewed Rent

and the rent payable immediately before the relevant Review Date together with interest on the difference at the Prescribed Rate less 4% (and if the interest rate is calculated at less than 0%, nil).

9. The Reviewed Rent payable from the relevant Review Date shall be recorded in a written memorandum endorsed on or attached to this Agreement and its counterpart as soon as it has been ascertained and a copy shall be supplied to the Head Landlord by the Landlord.

Schedule 6 - Allocation of repairing and insuring responsibilities

Note: The schedule should be completed to identify those parts of the Holding which it is intended the Landlord should repair or insure and those parts the Tenant should repair or insure. If any part of the Holding is not identified or written in this Schedule it will be the responsibility of the Tenant to repair and insure it.

1 Repair and maintenance of buildings and fixed equipment:

Item	Tenant	Landlord
Roofs including chimneys	√	
Structural frames and walls	√	
Cladding	√	
Floors	√	
Doors and gates	√	
Windows	√	
Staircases and fixed ladders	√	
Gutters and downpipes	√	
Electrical installations and fittings	√	
Water supplies and fittings	√	
Foul drainage facilities	√	
Fixtures and fittings	√	
External decorations and treatments	√	
Internal decorations and treatments	√	
Timber and other infestations	√	

2 Repair and maintenance of external works and services

Item	Tenant	Landlord
Rainwater drainage systems – above ground	√	
Rainwater drainage systems – below ground	√	
Foul drainage systems – above ground	√	
Foul drainage systems – below ground	√	
Sewerage disposal systems	√	
Dykes and hedges	√	
Water supply systems (non-irrigation) – above ground	√	
Water supply systems – below ground	√	
Electrical supply systems	√	
Gas supply systems	√	
Yard walls fences and gates	√	
Roads and yards	√	
Under-drainage	√	
Field gates and posts	√	
Bridges and culverts		√
Land drainage systems – cleaning, keeping clear and smaller scale repairs or replacements		√
Land drainage systems- replacement systems and larger scale repairs or replacements		√
Watercourses Ponds and Ditches	√	
Field boundaries	√	
Reservoirs	√	
Signs and notices	√	
Irrigation System Pipework and Equipment	√	

3 Insurance

Item	Tenant	Landlord
Farm buildings - structure	√	
Landlord's fixed equipment plant and machinery	√	

Schedule 7 - Entitlements

No Entitlements are let with this Agreement.

Schedule 8 - Tenants Fixtures, Improvements and Compensation

Part 1 – Tenants Fixtures

Part 1a

- 1 Tenants Fixture means any fixture or building to which section 8 of the Agricultural Tenancies Act 1995 applies.
- 2 Section 8 of the Agricultural Tenancies Act 1995 shall apply in respect of Tenants Fixtures.

Part 1b

- 3 Tenants Fixtures at the commencement of the Tenancy or works for which the Landlord has given the Tenant consent to install following the commencement of the Tenancy on the basis that no compensation will be paid and therefore to remain the property of the Tenant and which the Tenant will remove at the end of the Tenancy reinstating the premises unless otherwise agreed by the Landlord:
 - 3.1 Alterations to the storage and production shed marked "A" on Plan 1 for the purposes of cannabis production and in particular the fixtures and equipment to support production in the internal growing pod
 - HVAC ventilation system in the production shed – agreed estimated cost £75,000
 - Water and irrigation system in the storage and internal production shed – agreed cost £39,000
 - Internal doors £9,000
 - Generator – agreed cost £18,500
 - LED lighting system in the storage and production shed – agreed cost £90,000
 - IT infrastructure and equipment and cabling – agreed cost £104,000
 - Growing Benches in the production shed – agreed cost £25,000
 - 3.2 Supply and installation of security fencing to the yard and land - agreed cost of £65,000
 - 3.3 Supply and installation of phase 1 of the multichappelle greenhouses (measuring approximately 629 square metres as shown on Plan 2 including the structures, erection costs and groundworks at a cost of £114,000.

Part 2 Tenants Improvements

Part 2a

- 4 Part III of the Agricultural Tenancies Act 1995 shall apply to Tenants Improvements (other than as provided for below) and in this Agreement and Schedule Tenants Improvement shall mean any works subject to section 15 of the Agricultural Tenancies Act 1995 including any physical improvement provide any physical improvement made on the Holding or any intangible advantage obtained for the Holding by the Tenant by his own effort or wholly or partly at his own expense or a planning permission to which section 18 of the Agricultural Tenancies Act 1995 applies and Routine Improvements.
- 5 The Tenants Improvements will remain on or attached to the Holding on the termination of the tenancy and the Tenant shall be entitled to receive compensation calculated in accordance with the provisions of Part 2b of this Schedule or in the event of there being no specific provision relating to an Improvement set out in Part 2 b compensation calculated in accordance with the provisions of section 20 and 21 of Part III of the Agricultural Tenancies Act 1995.

Part 2b

- 6 Tenants Improvements at the commencement of the Tenancy or for which the Landlord has given consent or is deemed to have given consent for the Tenant to provide following commencement of the Tenancy are as follows:
 - 6.1 Alterations to the Storage Shed marked "A" On Plan 1 to provide a secure storage building and the construction of internal production buildings
 - Groundworks and internal building works – agreed estimated cost £52,000

Construction of the white-wall insulated pvc clad internal 'pod' and secure production area – agreed estimated costs £95,000

Internal doors - £8,000

Security door and alarm system – agreed cost £28,000

Flooring – agreed cost £47,000

Electrical wiring – agreed cost £58,000

and for the purposes of compensation on termination of the Tenancy sections 20 and 21 in Part III the Agricultural Tenancies Act 1995 will not apply and the amount of compensation shall be the actual or agreed estimated cost of installation (whichever is the lower) written down to the sum of not less than £1 in equal annual instalments over the term of the tenancy at 5.89% of the cost for each completed year of the Term.

- 6.2 Construction of a hardstanding area measuring approximately 534 square metres adjacent to the building marked 'A' on Plan 1 including ducting for services and cabling for connection to IT and internet at an agreed estimated cost of £132,000 and for the purposes compensation on termination of the tenancy sections 20 and 21 in Part III of the Agricultural Tenancies Act 1995 will not apply and the amount of compensation shall be the cost or agreed estimated cost of installation (whichever is the lower) written down to the sum of not less than £1 in equal annual instalments of 10 % of the cost for each completed year of the Term.
- 6.3 Construction of a reservoir including construction, installation of services and power supply and pumping equipment at an agreed estimated cost of £96,000 and for the purposes of compensation on termination of the tenancy sections 20 and 21 in Part III of the Agricultural Tenancies Act 1995 will not apply and the amount of compensation shall be the said agreed estimated cost of installation written down to the sum of not less than £1 in equal annual instalments of 5 % of the cost for each completed year of the Term.
- 6.4 Installation of the BT Openreach fibre optics cable (partially situated on the Landlord's Estate) at a specified cost of £38,822 and for the purposes of compensation on termination of the tenancy sections 20 and 21 in Part III of the Agricultural Tenancies Act 1995 will not apply and the amount of compensation shall be the specified cost written down to the sum of not less than £1 in equal annual instalments of 5 % of the cost for each completed year of the Term.

Part 3 Compensation to the landlord for Breaches of the Terms of the tenancy

- 7.1 On the termination of this Agreement the Landlord will be entitled to receive compensation for any breach by the Tenant of any of his obligations contained in this Agreement the amount of such compensation being determined in accordance with the common law relating to damages for breach of covenant.

Part 4 Arbitration

- 8.1 If not agreed between the Landlord and the Tenant any claim by either party for compensation for any matter falling within this Schedule shall be determined by arbitration or an independent expert determination in accordance with clause 11 of this Agreement.
- 8.2 If either party wishes to claim compensation in respect of any matter falling within this Schedule he shall give notice in writing to the other party of his intention to make the claim and of the nature of the claim, such notice to be given before the end of the period of two months beginning with the date of termination of this Agreement.
- 8.3 Not earlier than four months after the termination of this Agreement either party may apply to the President of The Royal Institution of Chartered Surveyors for the appointment of a suitably qualified person to act as arbitrator or independent expert to determine any claim for compensation which has not previously been either settled or referred to arbitration or independent determination by agreement.
- 8.4 If an arbitrator or independent expert has been appointed but subsequently dies or becomes incapable of acting for any reason the parties may appoint another person in his place by agreement or alternatively either party may apply to the President of The Royal Institution of Chartered Surveyors for the appointment of a new person.

- 8.5 Where the Tenant lawfully remains in occupation of part of the Holding after the termination of this tenancy references in paragraphs above to the termination of this tenancy shall, in the case of a claim for compensation relating to that part of the Holding, be construed as references to the termination of the Tenant's occupation of that part.

Schedule 9 - Redundant buildings and fixed equipment

The following buildings or other items of fixed equipment are agreed to be redundant in accordance with clause 12.4.

None.

Schedule 10 - Good husbandry

The provisions relating to good husbandry referred to in Clause 4.2.1 are as follows:

- 1 Taking into account the character and situation of the Holding and all relevant circumstances, the Tenant will maintain a reasonable standard of husbandry in terms of the system of farming, and at the same time will keep the Holding in a condition which will enable such a standard to be maintained in the future.
- 2 In considering whether the standard of husbandry achieved by the Tenant is reasonable, regard will be had to the extent to which:
 - 2.1 The Tenant's farming practices keep the soil, sub-soil and natural and other drainage systems in good condition;
 - 2.2 Arable land is being cropped in such a way as to maintain the land clean and in an appropriate state of cultivation and fertility;
 - 2.3 The necessary work of maintenance and repairs is being carried out; and
- 3 The Tenant agrees:
 - 3.1 To use any sprays with reasonable care so as to ensure that nearby hedges trees and crops and following crops are not adversely affected and if requested to do so to make good or replant as necessary should any damage occur; and
 - 3.2 To apply any slug pellets within 15 meters of a water course by precision application only (not by spinner).

SIGNED as a DEED by)
J. E. PICCAVER & CO.)
(GEDNEY MARSH) by a)
director in the presence of :)
Signature of Witness:

Name :
(IN BLOCK CAPITALS)
Address:
.....
.....

Occupation:

SIGNED as a DEED by)
DJT PLANTS LIMITED)
by a director in the presence of :)
Signature of Witness:

Name :
(IN BLOCK CAPITALS)
Address:
.....
.....

Occupation: