



RETAIL PARTNERSHIP TENANCY - SUMMARY OF TERMS

1. THE AGREEMENT

Term. The initial term will be 1,2,3,4 or 5 years. The Agreement is contracted out of the Landlord & Tenant Act, 1954, so it will not be renewable except by agreement between us.

Costs. Each party pays its' own legal costs. A contribution of £750 will be payable by you on acceptance of the offer of a new lease, to be refunded to you only upon legal completion.

Tenant's Notice to Quit. You will have the option of withdrawing from the Agreement without penalty on serving six months written notice at any time. You will be credited with the value of the inventory to the extent that you own it at that time.

Landlord's Notice to Quit. We may serve notice only in the event that the tie becomes unenforceable as a whole or in part. You will be credited with the value of the inventory to the extent that you own it at that time.

Permitted Use. The premises may be used as a fully licensed public house for the retail sale of alcoholic and non-alcoholic drinks and the ancillary provision of accommodation, food and other refreshment.

Assignment The Tenancy is not assignable

2. AGREEMENT FOR LEASE

The RPT may be preceded by an Agreement for Lease when Lease Support Works are to be undertaken, or head landlord's consent is required. You will be able to occupy the pub on all the terms of the RPT as soon as you enter into the Agreement for Lease and then we will be bound to grant, and you will be bound to take, (subject to the terms of the Agreement for Lease) the RPT when the works are complete. The start date of the RPT will be the Commencement Date of the Agreement for Lease. Rent steps can be agreed to reflect any disruption to your business before and during the works.

3. THE RENT

Rent. An equitable rent will be agreed by negotiation, having regard to the potential profitability of the business and taking into account all of the terms of the Agreement

Payment. Rent, including VAT, is paid monthly in advance by Direct Debit. We reserve the right to make administration charges if payments are not received by Direct Debit.

Deposit. A deposit equivalent to 3 months rent is required on commencement of the agreement, or the deposit may be built up over 2 years from an initial charge of not less than £2000. Interest is payable on the deposit. Further monies may be required in order to obtain credit on trading terms.

Review. The rent is adjusted at each anniversary of the start date in line with the Retail Price Index.

4. INSURANCE

Landlord. We will arrange insurance for the building and for two years loss of rent and recharges. Our insurance costs will be recharged to you monthly in advance together with VAT. Please refer to summary of cover of details.

Tenants. We can offer competitively-rated "Tenants All Risks" insurance cover for the contents including trade inventory, stock, all fixed glass, employers, third party and public liabilities, loss caused by interruption to the business and any loss of money. If you do not take up this cover you must arrange an equivalent policy and provide us with evidence of it.

5. FIXTURES AND FITTINGS

Tenant. You must purchase the loose trade inventory at valuation, or rent it from us, and you must repair and replace these items as necessary during the term. We may re-purchase the trade inventory at valuation during or at the end of the Term and offset the value against any money you may owe. You may not sell or charge the inventory to any third party.

Landlord. Landlord's Fixtures and Fittings revert to our ownership at the end of the Term. You must repair, maintain and replace all fixtures & fittings during the Term.

6. TERMS OF TRADING

Products. You must purchase from us all beers, including cask conditioned and low alcohol or no alcohol ales, all lagers, all ciders, all flavoured alcoholic beverages, all wines, all spirits and all minerals whether in draught or packaged forms. Payment for products at our standard wholesale prices is normally due seven days in arrears by Direct Debit. Our terms and conditions of supply will apply.

Discounts. A choice of price lists with or without off-invoice discounts is available and should be discussed separately with your Regional Manager. Whichever price list you agree will apply throughout the term subject to our entitlement to update from time to time. An incentive discount will be paid to you on all volumes of qualifying beers and qualifying ciders and all flavoured alcoholic beverages purchased from us for sale at the premises in each year of your lease in excess of an agreed volume target.

Gaming. You must obtain our written consent to install amusement machines from nominated suppliers. Your share of income from AWP machines is one-third before rent and duty. You are entitled to retain 50% of net income from all other machines.

Beer Dispense Equipment. Dispense equipment is provided by the nominated suppliers and is maintained and owned by them. Cellar cooling equipment is your responsibility and we have arranged a group servicing scheme to cover this.

Cellar Monitoring Equipment. You must allow us or if relevant our agents access to the Premises to install and inspect Cellar Monitoring Equipment and to use your electricity supply at your cost to operate the equipment.

In accordance with the Code of Practice this Summary of Terms is provided for guidance only. In the event of any inconsistency between this Summary of Terms, the Code of Practice and the current form of legal documentation, the latter shall prevail. Please refer to your offer letter for specific details of your proposed Tenancy. Subject to Contract and formal Tenancy Agreement.

Disclosure. You will be required to provide copies of VAT returns & annual accounts

7. REPAIRS

Exterior Structure and Services. We are responsible for all property repairs. You will be responsible for day to day maintenance, preventative maintenance, statutory compliance, drains, wall coverings, glass, and keeping service connections.

Redecoration. We are responsible for exterior decoration. You must redecorate internally in the Initial Decorating Year and in the last year of the term.

Signage. We will repair but you must maintain all external signs and lights. You may not alter the signage without our prior consent.

Decoration Fund.

In addition to the rent you will contribute to a decorations fund and you may draw down from that fund for the purposes of complying with your repairing obligations or we may do so if we carry out repairs for which you are responsible.

8. SERVICE CHARGES.

1. We take responsibility for health & safety, lifting equipment, electrical and gas safety compliance testing in exchange for a service charge paid to us monthly in addition to your rent. The initial charge for this is £1000 plus VAT per annum.
2. In addition to the rent on a monthly basis you will pay for Heating and Cellar Cooling Services as part of the agreement at the initial rate of £709 plus VAT per annum.
3. In addition to the rent on a monthly basis you will pay for Accountancy & Stocktaking Services as part of the agreement at the initial rate of £3,895.00 plus VAT per annum.

The initial rates referred to above may be subject to review by us at any time based on the actual costs to us of providing these services.

9 TRAINING

Unless you already hold the appropriate qualification you will be required to attend our Business Foundation Training course which delivers three qualifications; the BII Introduction to Licensed Retail Operations, the BIIAB Award in Beer & Cellar Quality and the CIEH Basic Food Hygiene Certificate. You will also be required to hold the BII National Certificate for Personal Licence Holders.

10 PREMISES AND PERSONAL LICENCES

Unless we request otherwise you must obtain by transfer or otherwise and hold throughout the Term a Premises Licence for the premises. You must also hold a Personal Licence and be named as the Designated Premises Supervisor (DPS) for the Premises, unless we consent to some other person being the DPS.