



THE STATES OF ALDERNEY

This Lease dated

2014

Between

- (1) 'Landlord' **THE STATES OF ALDERNEY** of Island Hall, Royal Connaught Square, St Anne, Alderney GY9 3UE, and
- (2) 'Tenant'
trading as Saye Beach Campsite whose address for service is Saye Beach Campsite, Alderney GY9 3YJ.

Operative Provisions

1. Definitions

1.1 *Defined terms*

Unless the context otherwise requires, the terms which are defined in this clause shall have the meanings assigned to them by this clause.

- "Annual Rent" From the Commencement Date the Annual Rent shall be the sum of Three Thousand Five Hundred Pounds (£3,500) increased (but not decreased) each year by Indexation in accordance with the terms of this lease.
- "Authority" includes any statutory, public, regulatory or other competent authority, the fire officer and building control officer, and any court of law the States of Alderney or Committee of the States of Alderney.
- "Camping Season" shall commence on Good Friday and shall run until the 30th September in each year of the Term (both dates inclusive). Any dates outside that period shall be with the prior agreement in writing with the Landlord.
- "Commencement Date" means 1st January 2015
- "Contamination" means the presence of any pollutants or other substances which are potentially harmful to humans, animals, and other living organisms or to the Environment or the Premises.
- "Enactment" means any Law, Ordinance or Statutory Instrument made by the States of Alderney or any other legislation having effect in Alderney, and any

rules, regulations, instruments, orders, bye laws, schemes, codes of practice or directions or other subordinate legislation made issued under or deriving validity from any such Law Ordinance Statutory Instrument or legislation.

- “Environment” means any of the following media: air, water, media within buildings or other natural or man-made structures above or below ground and any living organisms (including humans) or ecosystems;
- “Environmental Laws” means any applicable Enactment or laws, including without limitation any common law, statute, statutory instrument, treaty, regulation, directive, decision, by-law, circular, guidance plan, order, notice, demand, decree, injunction, resolution or judgement which relate to Environmental Matters and which are in force or effect from time to time.
- “Guarantee” means a guarantee from one or more persons who are reasonably acceptable to the Landlord.
- “Hazardous Substances” means any poisonous, noxious, dangerous, hazardous, radioactive, toxic, flammable, corrosive, or explosive materials or substances or any constituent or any mixture of any of them (including without limitation any petroleum or petroleum derived substance) and/or any other materials or substances that are regulated under any Environmental Laws;
- “Health and Safety Legislation” means the Health and Safety at Work (Alderney) Law 1997 and any other health and safety Enactment which the States of Alderney or other relevant body may from time to time implement.
- “Index” means the Guernsey Retail Prices Index excluding mortgage interest (GRPIX) published by the States of Guernsey, but if that index ceases to be published then such other indicator of inflation reasonably selected by the Landlord that is similar to the GRPIX.
- “Indexation” shall have the meaning set out in Schedule 3.
- "Insured Risks" means the risk of loss or damage caused by such other risks as the Landlord may from time to time reasonably consider appropriate for the Tenant or Landlord to insure including but without prejudice to the generality of the foregoing fire, flood, lightning, storm, tempest, earthquake, landslip, subsidence, heave, explosion, impact, aircraft and articles dropped from them, riot, civil commotion, malicious and accidental damage, terrorist activity, sprinkler damage, bursting or overflowing of water tanks, pipes and apparatus; to the extent that insurance against such risks may ordinarily be arranged with an insurer of good repute at a commercial rate and subject to such excesses, exclusions, limitations and conditions as the insurer may impose.
- "Interest" means interest:
- (a) before or after any court order;

	(b) from the date on which a payment falls due to the date on which it is paid;
	(c) at the rate of 2.5% per annum above the base lending rate for the time being of The Royal Bank of Scotland plc or such other UK clearing bank as the Landlord may from time to time nominate in writing;
	(d) calculated on a daily basis and compounded on the usual quarter days.
"Landlord"	means the States of Alderney but also includes any other person for the time being entitled to the immediate reversion to this lease.
"Landlord's Surveyor"	means any professionally qualified surveyor (who may be an employee of the Landlord) appointed by the Landlord to act as its surveyor for any purpose under this lease.
"Permitted Use"	means use of the Premises as a campsite for the public during the Camping Season and uses reasonably ancillary to camp site activities.
"Plan"	means the plan attached to this Lease.
"Planning Legislation"	means all Enactment's relating to planning and development including The Building and Development Control (Alderney) Law 2002.
"Plant"	means all the apparatus plant machinery and equipment within the demised area from time to time.
"Premises"	means the land and buildings at Saye, Alderney shown for identification purposes only edged red on the Plan .
"Rent Restrictions"	means any restrictions on the right to review or recover rent imposed by any Enactment.
"Rent Suspension Period"	means any period in which the Annual Rent is either reduced or suspended in accordance with clause 6.4 of this lease.
"Repair Notice"	means either a notice issued by the Landlord to the Tenant specifying any repairs, cleaning, maintenance or decoration that the Tenant has failed to undertake in breach of the terms of this lease and requesting the Tenant to remedy any such breach within one month or such longer period as the Landlord may reasonably specify in the circumstances, or sooner if urgent action is required;
	or a notice issued by the Tenant to the Landlord specifying any repairs, ground works, maintenance, decoration or refuse collection that the Landlord has failed to undertake in breach of the terms of this lease and requesting the Landlord to remedy any such breach within one month or such longer period as the Tenant may reasonably specify in the circumstances, or sooner if urgent action is required.

“Review Date”	means 30 th September in each year of the Term.
"Services"	means all forms of energy, drainage, water, telecommunications, soil and other substances.
"Service Media"	means any media for conducting Services, together with any ancillary apparatus.
"Sign"	includes advertisements, hoardings, notices, plates, placards, posters, stickers, flags and all other forms of signage
"Statutory Requirements"	means any existing or future notices, orders, directions, requirements and schemes imposed on the owner or occupier of the Premises by any Authority under any Enactment.
“Term”	means the term of 5 years commencing on the Commencement Date and expiring on 31st December 2019 (both dates inclusive). If the Commencement Date is later than 1st January 2015, the length of the term will be reduced with the expiry date remaining as 31st December 2019.
“Working Day”	means any day other than a Saturday, Sunday or public holiday in Alderney.

1.2 *Interpretation*

1.2.1 *Approvals and consents*

Any reference to the approval or consent of the Landlord means an approval or consent which is in writing and which has been signed by or on behalf of the Landlord.

1.2.2 *Clauses*

Unless this lease states otherwise, any reference to a clause is a reference to that clause of this lease.

1.2.3 *Covenant not to do an act or thing*

Any covenant by the Tenant not to do an act or thing shall include an obligation not to permit that act or thing to be done.

1.2.4 *Termination*

References to the termination or end of this lease mean the end of the Term, however it occurs.

1.2.5 *Encumbrances*

References to encumbrances includes all covenants, conditions, exceptions, reservations, easements, rights, interests, privileges, profits, restrictions, stipulations, servitudes and other matters affecting the Premises.

1.2.6 *Gender and number*

Where appropriate, words importing one gender include all other genders and words in the singular include the plural and vice versa.

1.2.7 *Headings*

The headings in this lease have been inserted for ease of reference only and shall not affect its construction or interpretation.

1.2.8 *Joint and several liability*

Obligations undertaken by more than a single person are joint and several obligations.

1.2.9 *Lease*

References to this lease include any documents supplemental to or connected with it.

1.2.10 *Persons*

Persons include companies and all other legal entities.

1.2.11 *Rights reserved to Landlord*

Any rights which this lease excepts and reserves to, or confers benefit upon the Landlord, are also excepted and reserved for the benefit of any superior landlord and mortgagees.

1.2.12 *Enactments etc*

Any reference to an Enactment includes any amendment, extension or re-enactment of it for the time being in force.

1.2.13 *Term*

References to the term include any holding over, extension or continuation of it, whether by Enactment, agreement or otherwise.

1.2.14 *Rent Payment days*

The Rent Payment days are the last day of every month in each year of the Term.

2 Grant of Lease

2.1 *Demise*

The Landlord lets the Premises to the Tenant for the Term in return for the Annual Rent and any other sums that may become due to the Landlord under this lease.

2.2 *Annual Rent*

The Annual Rent shall be paid monthly in arrears on each Rent Payment days in every year and shall be payable proportionately for any period of less than a year.

2.3 *First payment of Annual Rent*

The first payment of the Annual Rent shall be paid on the first Rent Payment Day after the date of this lease in respect of the period from and including the Commencement Date to the next following Rent Payment day.

2.4 *Review*

The Annual Rent shall be reviewed on or before the Review Date in accordance with Schedule 3, with the revised annual rent being payable from the first January in the year following the review date.

3. Rights, Exceptions and Encumbrances

3.1 *Rights included*

The Tenant shall have the benefit of the rights set out in Schedule 1.

3.2 *Rights excepted*

The rights set out in Schedule 2 are excepted and reserved for the benefit of the Landlord and anyone else who is or may become entitled to such rights and anyone authorised by them.

3.3 *Encumbrances*

The Tenant takes subject to all encumbrances of whatever nature affecting the Premises whether in contract or an Enactment or by virtue of entries in the registered title of the Landlord.

4 Covenants by the Tenant

The Tenant covenants with the Landlord to comply with the following obligations to the Landlord under this lease.

4.1 *Rents, Outgoings and Other Payments*

The Tenant shall pay the rents and other sums due under this lease at the times and in the manner set out in this lease without making any deduction or set off and if required by the Landlord in writing to pay the Annual Rent by banker's order or credit transfer to the bank account that the Landlord shall from time to time nominate. The Tenant must pay all running costs, including electricity charges, water rates, gas cylinders, fuel oil, telephone charges, broadband charges, agreed insurances, real property tax and occupiers' rates for the campsite.

4.2 *Interest*

The Tenant shall pay the Landlord Interest on:

- 4.2.1 any Annual Rent, which has not been paid on or before the date on which it falls due (whether formally demanded or not);

4.3 *Outgoings*

The Tenant shall pay and indemnify the Landlord against all existing and future rates, taxes, charges, assessments, impositions and outgoings relating to the Premises (including Occupiers rate and Tax on Real Property) even though they may be levied on the Landlord and even if they are of a novel or of a capital or non-recurring nature, but shall not be liable for any tax payable by the Landlord as a result of:

4.3.1 the grant of this lease or any dealing with the reversion to it; or

4.3.2 the receipt of any rents under it

4.4 *Assessments*

The Tenant shall consult with and have due regard to any representations made by the Landlord when negotiating on or appealing against any rating or other assessments relating to the Premises and shall not agree to any assessment without the Landlord's consent, which shall not be unreasonably withheld or delayed.

4.5 *Services*

The Tenant shall pay all costs connected with any Services that are supplied to or consumed on the Premises. The Tenant will open the whole of the Premises for business to the public on the date of the commencement of the first Camping Season following this Lease Agreement being made and, throughout the term, will continuously utilise the Premises during the season in the active conduct of its business in a reputable manner. The Tenant shall provide adequate security for State's property and adequate supervision of the campsite.

4.6 *Shared Items*

The Tenant shall pay the Landlord a fair and proper proportion to be determined by the Landlord's Surveyor, of the cost of repairing and maintaining any facilities or things which are used or shared with other property and if necessary of the cost of rebuilding or replacing them.

4.7 *Repair*

4.7.1 Subject to Clause 4.7.2, and having taken possession of the Premises in good order, the Tenant shall keep the interior of the shop/cafe except where they have been damaged by an Insured Risk, in which case the Landlord and Tenant shall undertake the obligations set out in clauses 5.10 and 6.2 of this lease. The tenant shall clean the interior of the shop/café, the multi-purpose cabin and the toilets and showers as required and on a regular basis throughout the Camping Season. The Tenant shall report any Premises maintenance issues to the Landlord as they occur.

4.7.2 The Tenant shall supply to the Landlord by no later than the last day of September in each year a schedule of works for the general refurbishment and improvement of the campsite (the development programme) and so as to bring them up to a reasonable and proper standard for the Permitted Use and in accordance with the following provisions:

- (a) The Landlord shall, once they are satisfied with the proposals give their consent to the development programme that consent not to be unreasonably withheld or delayed; and following consent,
- (b) The Landlord shall obtain all relevant consents including those under the Planning Legislation and shall complete all the works in accordance with good quality up to date building standards as required by the development programme

4.8 *Repair of Plant*

The Tenant shall report any Plant maintenance issues to the Landlord as they occur.

4.9 *Internal decoration*

The Tenant shall redecorate the shop/café on a rolling maintenance programme so that all the internal parts of the shop/cafe are redecorated once every two years and in the last year of the term however it is terminated.

4.10 *Decorating scheme*

The Tenant as part of the obligation to redecorate referred to in Clause 4.9 shall prepare, clean, paint or otherwise treat and decorate each part of Premises as is appropriate in accordance with good quality decorating practice.

4.11 *Windows*

The Tenant shall keep the windows and glass in the Premises clean

4.12 *Grounds*

The Tenant shall report any grounds maintenance issues to the Landlord as they occur.

4.13 *Storage*

The Tenant shall keep the Premises clean, tidy and free from litter.

4.14 *Removal of rubbish*

The Tenant shall keep rubbish and waste in suitable receptacles in the areas set aside for them and report any refuse collection and disposal issues to the Landlord as they occur.

4.15 *Alterations*

The Tenant shall not except in accordance with the approved development programme for the Premises:-

- 4.15.1 demolish the Premises or do anything which would or might damage or injure it or divide it up or merge it with any other property or;
- 4.15.2 make any alterations or additions to or do anything which would change the appearance of the Premises; or

4.15.3 erect any new structure on or make any other alteration or addition to the Premises, whatsoever of any kind,

without the prior consent of the Landlord.

4.16 *Use of the Premises*

4.16.1 Permitted use

The Tenant shall not use the Premises other than for the Permitted Use and shall not make any application that will constitute a change of use of the Premises or any part of it without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.

4.16.2 Prohibited uses

The Tenant shall not without the prior written consent of the Landlord use the Premises for any of the following purposes:

- (a) to hold any sale by auction;
- (b) for any public or political meetings;
- (c) for any public exhibitions,

4.16.3 Hazardous acts etc

The Tenant shall not use the Premises for anything, which is illegal, immoral, dangerous or offensive, and shall not carry out any hazardous act or carry on any hazardous trade at the Premises.

4.16.4 Pests

The Tenant shall do all that is practicable to keep the Premises clear of rats, mice and other vermin.

4.16.5 Nuisance

The Tenant shall not do anything on the Premises that causes or threatens to cause any nuisance, annoyance, damage, disturbance, inconvenience or injury to the Landlord or to the owners and occupiers of any other property.

4.17 *Overloading*

The Tenant shall not overload the Premises or the buildings or any part of them, nor subject them to any strain beyond that which it is designed to bear;

4.18 *Service Media*

The Tenant shall not misuse, obstruct or overload any Service Media on or serving the Premises.

4.19 *Signs*

The Tenant shall not display any Sign which can be seen from outside the Premises other than one that indicates the name and business of the Tenant and which has been approved by the Landlord, such approval not to be unreasonably withheld or delayed; and

4.20 *Notices and Statutory Requirements*

4.20.1 Notices and other communications

The Tenant shall send the Landlord copies of any notices or other communications that it receives in relation to the Premises as soon as it receives them, and shall object to or appeal against or make such representations in respect of them, as the Landlord reasonably requires.

4.20.2 Statutory Requirements etc

The Tenant shall: -

- (a) not do or suffer to be done upon the Premises anything which would be in breach of any Enactment
- (b) at all times use the Premises in full compliance with the provisions of any Enactment relating to such use and occupation, and in particular but without limitation comply with:
 - (i) Environmental Laws
 - (ii) Health and Safety Legislation,
 - (iii) Planning Legislation or
 - (iv) any Enactment
- (c) notify the Landlord as soon as possible in writing of any defect in the Premises for which the Landlord may be liable under this lease or by virtue of any Enactment or otherwise
- (d) comply with any requirements under any Enactment's affecting the Premises as shall fall within the Tenants obligations under this lease but shall not carry out any work to the Premises without obtaining the Landlord's consent and approval for that work.
- (e) Indemnify and keep indemnified the Landlord against all actions proceedings, costs, expenses and demands in respect of any act matter or thing in relation to the foregoing sub-clauses of this clause 4.20.2.

4.20.3 *Permissions, licences, authorisations and consents*

The Tenant shall obtain any permissions, licences, authorisations and consents needed to enable the Tenant to use or to carry out any operations or development on or to do anything else at the Premises.

4.21 *Environmental obligations*

The Tenant shall:

- 4.21.1 not do anything which would or might cause any Contamination of the Premises, or of any other property, or of any water source or water course and shall indemnify the Landlord from and against any and all claims and demands made all proceedings brought and all costs, damages, expenses and liability arising from any breach of its obligations under this clause.
- 4.21.2 notify the Landlord, immediately and in writing, of any Contamination found at or emanating from the Premises or any lawful requirements of a relevant Authority relating to the Premises.
- 4.21.3 carry out, with all requisite speed, any work that is required by a relevant Authority or otherwise to remediate any Contamination caused by the Tenant and indemnify the Landlord against the cost of so doing.

4.22 *Planning Compliance*

The Tenant shall comply with all the provisions and requirements of any planning permissions relating to the Premises and shall not commit any breach of planning control.

4.23 *Planning applications*

The Tenant shall not make any application under the Planning Legislation without the prior written consent of the Landlord

4.24 *Dealings*

- 4.24.1 The Tenant shall not assign, charge, underlet the whole or any part of the Premises except as permitted by Clause 4.24.2.
- 4.24.2 The Tenant shall not be entitled to assign the whole of the Premises without the prior written consent of the Landlord, and which consent may be subject to the requirement for the assignee to provide a guarantee and any other reasonable conditions to be agreed between the Landlord and approved assignee who shall
 - 4.24.2.1. only use the Premises for the Permitted Purpose during the Camping Season ;
 - 4.24.2.2 be of a good financial standing;
 - 4.24.2.3 demonstrable operational capacity to run and develop the Premises as a campsite.
- 4.24.3 The Tenant shall not share or part with possession of or allow anyone else to occupy all or any part of the Premises (other than as guests of the campsite), nor hold them on trust for anyone.

4.25 *Key holders*

The Tenant shall ensure that the Landlord, the police force and the fire authority each have the names of at least two individuals who hold keys to the Premises, together with up to date addresses and home telephone numbers for each of them.

4.26 *Rights*

4.26.1 *Not to obstruct Landlord's rights*

The Tenant shall allow the Landlord to exercise its rights under this lease without any interference, interruption or obstruction from the Tenant.

4.26.2 *Not to obstruct third party rights*

The Tenant shall not do anything which would or might interfere with or obstruct anyone else from exercising any easements, rights or privileges over the Premises or any adjoining property.

4.26.3 *Preservation of rights*

The Tenant shall do all that is necessary to preserve and shall do nothing to endanger any easements or rights which the Premises now enjoy.

4.26.4 *Notification of interference's and encroachments*

The Tenant shall:

- (a) give the Landlord immediate written notification of any interference with any easements or rights enjoyed by the Premises or of any encroachment upon the Premises; and
- (b) do everything reasonably required by the Landlord to prevent such interference or encroachment from continuing.

4.27 *Access of Landlord*

To permit the Landlord to enter upon the Premises:

- 4.27.1 to ascertain that the covenants and conditions of this lease have been observed and performed;
- 4.27.2 to view the state of repair and condition of the Premises;
- 4.27.3 to exercise any right reserved to the Landlord in this lease;
- 4.27.4 for any other reasonable purpose.

4.28 *Breaches*

4.28.1 *To remedy breaches*

The Tenant shall remedy any breach of any of its obligations under this lease within such period as the Landlord may reasonably specify by notice in writing to

that effect to the Tenant, or sooner if urgent action is required. If the Tenant does not comply with that notice, the Landlord shall have the right:

- (a) to enter the Premises and remedy the breach itself; and
- (b) to recover the cost of so doing as a civil debt from the Tenant on demand and in default as rent in arrears;

but shall use all reasonable endeavours to cause as little damage to the Premises and inconvenience to the Tenant as is practicable in all the circumstances.

4.28.2 *Repair Notices*

- (a) As soon as practicable to repair, clean, maintain and paint the Premises as required by a Repairs Notice.
- (b) If within one month of the service of a Repairs Notice the Tenant shall not have commenced and be proceeding diligently with the execution of the work referred to in the Repairs Notice or shall fail to complete the work within three months or if in the Landlord's Surveyors reasonable opinion the Tenant is unlikely to have completed the work within such period to:
 - (i) permit the Landlord to enter the Premises to execute such works as may be necessary to comply with the Repairs Notice and
 - (ii) pay to the Landlord the proper and reasonable cost of so doing and all expenses properly and reasonably incurred by the Landlord (including all legal costs and Surveyor's fees) within 10 working days of a written demand.

4.29 *Landlord's costs*

The Tenant shall pay and indemnify the Landlord against all costs, charges, fees, disbursements and expenses arising out of or, where appropriate, in contemplation of:

- 4.29.1 any application for the consent or approval of the Landlord, whatever the outcome of that application might be and even if the application is withdrawn;
- 4.29.2 dealing with any documents required in connection with any such application;
- 4.29.3 the recovery of any arrears of rents or other sums due to the Landlord under this lease;
- 4.29.4 the preparation and service of any schedule of dilapidations or Repairs Notice occurring during the term and served at any time during the term or no more than six months after the determination of it;
- 4.29.5 any reasonable and proper action taken by the Landlord to enforce any obligation or rectify any breach of this lease.

4.30 *Indemnity*

The Tenant shall indemnify the Landlord against all claims and demands made, all proceedings brought and all costs, damages, expenses, losses and liability arising directly or indirectly from:

- 4.30.1 the Tenant's use and occupation of the Premises; and
- 4.30.2 any act, default, negligence or omission of the Tenant and/or any breach by the Tenant of any of the provisions of this lease.

4.31 *Information*

The Tenant shall provide the Landlord promptly upon reasonable request with any information:

- 4.31.1 which the Landlord reasonably requires in order to satisfy itself that the Tenant has complied with its obligations under this lease; or
- 4.31.2 sought by the Landlord to enable it to comply with its own obligations under this lease.

4.32 *Letting and sale boards*

The Tenant shall allow the Landlord to display letting or sale boards:

- 4.32.1 that do not obstruct the light enjoyed by or any sign advertising the name and business of the Tenant;
- 4.32.2 on the exterior of the Premises;
- 4.32.3 during the last six months of the term or if the Annual Rent is more than one month in arrears;

and shall allow anyone having the written authority of the Landlord or its agents to inspect the Premises, without interruption, at reasonable times, on reasonable notice but having proper regard to the welfare of the residents at the property.

4.33 *Yielding up*

When this lease comes to an end the Tenant shall:

- 4.33.1 remove any signs and all tenant's fixtures, fittings and other goods from the Premises and make good all resulting damage;
- 4.33.2 return all the keys to the Premises to the Landlord; and
- 4.33.3 yield the Premises up to the Landlord in the condition required by this lease.

If the Tenant fails to comply with this clause, the Landlord shall be entitled to recover any costs that it incurs in putting the Premises into the condition in which they should be, together with any loss of rent during the period properly required to do so, from the Tenant.

4.34 *Items which are left behind*

If the Tenant leaves any fixtures, fittings or other goods in the Premises at the end of this lease and does not remove them within 10 working days of being requested to do so:

- 4.34.1 the Landlord may dispose of them as agent for and at the cost of the Tenant;
- 4.34.2 the Tenant shall indemnify the Landlord against any liability to any third party whose property has been sold in the mistaken but bona fide belief (which shall be presumed unless the opposite is proved) that the items in question belonged to the Tenant;
- 4.34.3 the Landlord shall use any proceeds of sale to defray any costs properly incurred in connection with the removal, storage and sale of such items and to discharge any other sums which are still due to the Landlord under the terms of this lease;
- 4.34.4 the Landlord shall account to the Tenant for any subsequent balance, unless the Landlord has been unable to locate the Tenant, in which case the Landlord may retain or dispose of any balance as it sees fit.

4.35 *Freehold and Superior Title covenants*

The Tenant shall observe and perform any covenants, conditions, exceptions, reservations, restrictions, stipulations and other matters within the registered title of the Premises as are consistent with the provisions of this lease and indemnify the Landlord against any breach of them.

5 Obligations with regard to Insurance

5.1 *Landlord to insure*

The Landlord shall insure the Premises against loss or damage by the Insured Risks.

5.2 *Amount*

The Landlord shall insure against the full cost of reinstating the Premises (which shall include ancillary costs such as demolition, shoring up, site clearance and professional fees).

5.3 *Public liability*

The Tenant shall insure and indemnify the Landlord against third party, public and occupier's liability in respect of

- 5.3.1 claims against the Tenant for any injury to or the death of any person or any damage to any property;
- 5.3.2 against any claims however and wherever arising resulting from the use and occupation of the Premises or the operation carried on by the Tenant on the Premises,

in the sum of Five Million Pounds (£5,000,000) or such higher sum as the Landlord may from time to time reasonably require and to produce to the Landlord upon demand the policy or policies of such insurance.

The Landlord shall insure and indemnify the Tenant against third party, public and Landlord's liability in respect of

5.3.3 claims against the Landlord for any injury to or the death of any person or any damage to any property;

5.3.4 against any claims however and wherever arising resulting from the operations carried out by the Landlord on the Premises,

in the sum of Five Million Pounds (£5,000,000) or such higher sum as the Landlord may from time to time reasonably require.

5.4 *Tenant to insure*

The Tenant acknowledges to the Landlord that the Tenant is responsible to insure the Tenant's contents, fixtures and fittings, vehicles and all other personal belongings or goods in or upon or near the Premises and shall fully and effectively indemnify the Landlord against any loss liability claim or damage sustained or incurred by the Landlord (including any legal or other costs) by reason of a failure by the Tenant to insure any such item in the full replacement value or at all, or for any loss that the Tenant shall sustain in relation to any such item.

5.5 *Requirements etc*

The Tenant shall comply with all the requirements and recommendations of the Landlord's insurers and of the fire authority.

5.6 *Fire fighting equipment*

The Tenant shall install and keep any firefighting equipment required by the Insurers and/or the fire authority in/at the Premises, in good working order and condition, replace it when necessary and have it annually inspected by a competent person.

5.7 *Not to obstruct the means of escape etc*

The Tenant shall keep fire escapes clear and fire doors unlocked at all times when the Premises are in use.

5.8 *Flammable substances*

The Tenant shall not allow anything that is especially combustible, dangerous, explosive or flammable to be brought onto or kept in the Premises other than campsite gas cookers, gas bottles and barbeques as may be necessary as part of the routine business of running a campsite.

5.9 *Not to increase premiums etc*

The Tenant shall not do anything that would or might affect the premiums payable for any insurance on the Premises.

5.10 *To notify the Landlord about claims etc*

The Tenant shall give the Landlord immediate written notice of anything that may lead to or affect an insurance claim in relation to the Premises or to any other property belonging to the Landlord.

5.11 *Tenant to pay for its acts and defaults*

The Landlord shall pay any sums (including the cost of completely reconstructing the whole or any parts of the Premises and any other property, together with all ancillary costs), which the Landlord is unable to recover from its insurers as a result of any act or default of the Landlord. The Tenant shall pay any sums (including the cost of completely reconstructing the whole or any parts of the Premises and any other property, together with all ancillary costs), which the Landlord is unable to recover from its insurers as a result of any act or default of the Tenant.

5.12. *Produce evidence of cover and receipts for premiums etc*

The Tenant shall produce evidence of all policies of insurance and the receipts for the last premiums payable under them to the Landlord on demand but not more than once in every 12 month period.

5.13 *Loss of Rent*

The Landlord shall insure against three years loss of the Annual Rent

6 Damage or Destruction by an Insured Risk

6.1 *When these provisions apply*

The provisions of this clause 6 shall apply where the Premises or any part or parts thereof are damaged by an Insured Risk.

6.2 *Use of Insurance Monies*

Subject to the provisions of clause 6.3 the Landlord shall use the insurance money and any uninsured loss payable by virtue of clause 5.10 to reinstate the Premises as soon as reasonably possible after receiving all such permissions and consents, and shall make up any shortfall in the insurance proceeds.

6.3 *No obligation to reinstate*

In any of the following events namely that

6.3.1 the Premises have not been reinstated within 36 calendar months of the date on which the damage or destruction occurred; or

6.3.2 they are so seriously damaged that they will not be fit for occupation and use without demolition and rebuilding of the whole or a substantial part of them and the parties agree to determine the lease; or

6.3.3 the Landlord is unable to obtain the necessary planning and other consents to reinstate and / or rebuild the Premises (having used all reasonable endeavours to do so),

then either the Landlord or the Tenant may terminate this lease by notice in writing to the other and upon expiry of the notice this lease shall cease and determine and the Tenant shall be released from any obligation to reinstate the Premises, but without affecting any rights or remedies which the Landlord or the Tenant may already have in respect of any previous breach of any obligation under this lease.

6.4 *Suspension of rent*

The Annual Rent shall be reduced to reflect the nature and extent of any damage which renders any part or parts of the Premises unfit for occupation and use, and shall be suspended if the Premises are so seriously damaged that they are wholly unfit for occupation and use or if there is no access to them.

6.5 *Amount of rent to be suspended*

The Landlord's Surveyor shall determine whether the Annual Rent is to be reduced or suspended and, if it is to be reduced, shall determine the amount by which it is to be reduced.

6.6 *Period of suspension*

The Rent Suspension Period shall come to an end as soon as the Premises are fit for occupation and use and the access to them is restored or when the money which the Landlord receives from the insurers for loss of rent is exhausted, or this lease is brought to an end by notice pursuant to clauses 6.3 of this lease.

6.7 *Disputes*

Any disputes about the amount by which the Annual Rent is to be reduced or the length of the Rent Suspension Period shall be referred to arbitration as provided for in clause 10 of this lease.

6.8 *Reinstatement*

In the event that the Landlord reinstates the Premises it shall be satisfactory to provide Premises which are comparable to, but not necessarily identical with, the Premises which existed before the damage occurred, with any variations which are necessary or desirable in the circumstances then arising or which may be needed to comply with any Enactment which then applies.

6.9 *Insurance proceeds*

In the event that this Lease is terminated under Clause 6.3 all money payable under any policies of insurance effected by the Tenant shall be payable to the Landlord other than those affected by the Tenant for insuring contents which shall belong to the Tenant.

7 Landlord's Obligations

7.1 *Tenant's right to quiet enjoyment*

If the Tenant pays the rent reserved by and complies with all its other obligations under this lease, the Landlord will allow the Tenant to utilise the Premises without any interruption or disturbance from the Landlord or from anyone lawfully claiming through, under or in trust for it.

7.2 *Repair*

The Landlord shall keep the exterior and the structures (including main walls, foundations roof and the Service Media) of all of the Premises, and the fixtures and fittings in the toilet and shower blocks and in the multi-purpose cabin in good and substantial repair and condition, except where they have been damaged by an Insured Risk, in which case the Landlord shall undertake the obligations set out in clauses 5.10 and 6.2 of this lease. The Tenant shall report any maintenance requirements to the Landlord as they occur.

7.3 *Grounds*

The Landlord shall have responsibility for:

- Grass cutting of the site;
- Tree planting;
- Destruction of bracken/noxious weeds etc;
- Filling of holes created by rabbits;
- Hedges, fencing and gates;
- Children's play area and equipment (including insurance cover);
- Emptying of the cesspit.

7.4 *Repair of Plant*

The Landlord shall keep all Plant properly maintained and in good working order and for that purpose to employ reputable contractors for the regular periodic inspection and maintenance of them and to renew all working and other parts as and when necessary or when recommended by those contractors.

7.5 *Refuse*

The Landlord shall arrange collection and disposal of refuse at regular intervals.

7.6 *Breaches*

7.6.1 *To remedy breaches*

The Landlord shall remedy any breach of any of its obligations under this lease within such period as the Tenant and Landlord both acting reasonably agree and which the Tenant specify by notice in writing to Landlord or sooner if urgent action is required. If the Landlord does not comply with that notice, the Tenant shall have the right:

- (a) to claim from the Landlord for loss of earnings or any additional costs incurred as a result of the breach or breaches;

- (b) to claim for a suspension of or reduction in rent for the period of time that the breach or breaches cover;
- (b) to remedy the breach itself; and
- (c) to recover the cost of so doing from the Landlord on demand.

7.6.2 *Repair Notices*

- (a) As soon as practicable to undertake work as required by a Repairs Notice.
- (b) If within one month of the service of a Repairs Notice the Landlord shall not have commenced and be proceeding diligently with the execution of the work referred to in the Repairs Notice or shall fail to complete the work within three months or if in the Tenant's reasonable opinion the Landlord is unlikely to have completed the work within such period to:
 - (i) allow the Tenant to execute such works as may be necessary to comply with the Repairs Notice and
 - (ii) pay to the Tenant the proper and reasonable cost of so doing and all expenses properly and reasonably incurred by the Tenant (including all legal costs and Surveyor's fees) within 10 working days of a written demand.

7.7 *Tenant's costs*

The Landlord shall pay and indemnify the Tenant against all costs, charges, fees, disbursements and expenses arising out of or, where appropriate, in contemplation of:

- 7.7.1 the preparation and service of any schedule of dilapidations or Repairs Notice occurring during the term and served at any time during the term or no more than six months after the determination of it;
- 7.7.2 any reasonable and proper action taken by the Tenant to enforce any obligation or rectify any breach of this lease.

7.8 *Indemnity*

The Landlord shall indemnify the Tenant against all claims and demands made, all proceedings brought and all costs, damages, expenses, losses and liability arising directly or indirectly from any act, default, negligence or omission of the Landlord and/or any breach by the Landlord of any of the provisions of this lease.

8 Forfeiture

8.1 *Landlord's right of re-entry*

If and whenever during the Term:

- 8.1.1 The rent reserved by this Lease or any part of it is in arrear and unpaid for twenty one days after it shall have become due whether legally demanded or not (except where rent is unpaid solely as a result of an error by the Tenant's bank in making a payment under a banker's order and the tenant pays the rent promptly on being notified of the non-payment) or
- 8.1.2 the Tenant is in breach of any of their obligations under this lease; or
- 8.1.3 the Tenant goes into voluntary or compulsory liquidation (except for a voluntary liquidation for the purposes of amalgamation or reconstruction only) or
- 8.1.4 the Tenant is declared "en desastre" or bankrupt or have preliminary vesting order made in respect of its property or
- 8.1.5 the Tenant enters into any composition with creditors or scheme of arrangement or
- 8.1.6 the Tenant has distress or execution levied on its goods,

then it shall be lawful for the Landlord at any time subsequently to re-enter upon the Premises or any part of it in the name of the whole and in that event this lease shall absolutely determine, but without prejudice to any right of action of the Landlord against the Tenant or the Tenant against the Landlord in respect of any antecedent breach by the other party of any covenant or other term of this lease.

9 **Agreements and Declarations**

9.1 *Covenants to remain in force*

The Tenant's obligations under this lease shall not be affected by any temporary waiver or release of them by the Landlord.

9.2 *Demands for and acceptance of rent*

The Tenant shall not be entitled to raise by way of defence in relation to any breach of this lease any demand by the Landlord for or acceptance of rent, even though the Landlord or its agents knew about or should have recognised the existence of that breach at the time when the rent was demanded or accepted.

9.3 *Exclusion of liability for accidents etc*

The Landlord shall not be responsible to the Tenant or to any other person for any accident or injury suffered or for any damage to or loss of any goods or property sustained on the Premises unless the accident or injury suffered or the damage or loss sustained is caused by the negligence of the Landlord or any employee of the Landlord.

9.4 *No planning warranty*

Nothing in this lease or in any consent or approval granted under it shall be treated as an express or implied warranty as to the lawfulness of any use or development under the Planning Legislation.

9.5 *Service of notices*

Any notice to be served hereunder shall be validly served on: -

9.5.1 the Tenant if addressed to the Tenant, and, as the case may be, left at or sent by recorded delivery post to the Premises;

9.5.2 the Landlord if addressed to the Landlord and left at or sent by recorded delivery post to the Landlord at Island Hall St Anne Alderney GY9 3AA marked for the attention of The Chief Executive;

and any notice sent by post shall be deemed to have been given two Working Days following posting.

9.6 *Severability*

Each of the provisions of this lease is severable from the others. Any provision that is illegal, invalid or unenforceable shall be severed from the others without affecting or impairing the remainder of this lease.

9.7 *Landlord as Governing Body*

Nothing contained or implied in this Lease will prejudice or affect any of the rights, powers or duties of the States of Alderney as governing body and all such rights, powers and duties will in regard to the Premises be enforceable and exercisable by the States of Alderney as fully and freely as if it were not the owner of the Premises and this Lease had not been executed and any consent approval, agreement release or waiver given by or under this Lease shall operate only in the capacity of the States of Alderney as Landlord of the Premises only and not as governing body and shall not operate as a consent, approval, agreement, release or waiver in respect of any requirement under any Enactment.

9.8 *Registration on the registered titles*

Either party may apply to the Land Registry to register the particulars of this lease on the registered title of the Premises.

10. Disputes

Except where its expressly provided by this lease to the contrary, should any dispute arise between the parties hereto regarding any matter concerning this lease that dispute shall be referred to a single arbitrator appointed by the President of the Royal Institution of Chartered Surveyors and on any such referral the provisions of the Arbitration (Guernsey) Law 1982, shall apply to that arbitration.

11. Termination

Either the Landlord or the Tenant may

- (a) give not less than 120 days written notice to the Landlord (or Tenant) to terminate this Lease;
- (b) in the event that notice is given this lease shall come to an end on the relevant date;
- (c) but termination shall be without prejudice to the rights of either party in relation to any continuing obligation under this lease or any breach of this lease which has arisen prior to the relevant date.

12. Governing Law and Jurisdiction

This lease is subject to the Law of Alderney and (subject to Clause 10) the exclusive jurisdiction of the Court of Alderney and the Landlord and the Tenant irrevocably and unconditionally submit to the jurisdiction of the Court of Alderney and agree and declare that its address for service of all proceedings and notices are those contained in this lease unless such alternative address has been notified in writing.

The parties have executed this lease on the date set out on page 1.

Schedule 1

Rights Granted

1. The free passage of Services through any Service Media running through or under the any adjoining or neighbouring premises of the Landlord and the right to enter onto those adjoining premises at all reasonable times upon reasonable prior notice (except in an emergency) and subject to complying with any reasonable condition imposed by the Landlord in allowing access, for the purposes of carrying out any of the obligations of the Tenant in this Lease which cannot be carried out from within the boundaries of the Premises.
2. The right of support and protection for the Premises from the adjoining or neighbouring property of the Landlord (if any)
3. A Right of Way (if necessary) over such part of the Landlords adjoining property (if any) so as to provide a means of access and egress to the Premises

Schedule 2

Rights Reserved

1. The free passage of Services through any Service Media running through or under the Premises and the right to make connections with the Service Media and to enter the Premises at all reasonable times upon reasonable prior notice (except in an emergency) for the purposes of making connections with cleaning, repairing and inspecting the Service Media.

2. The right of support and protection by the Premises for the adjoining or neighbouring property of the Landlord (if any)

Schedule 3

Rent Review

1. *Review of rent by Indexation*

The Annual Rent shall be reviewed on or before the Review Date and from each on the first day of January following the Review Date shall be increased (but not decreased) by Indexation. If Indexation does not result in an increase in the Annual Rent then the Annual Rent payable shall remain the same as at that prior to the Review Date.

2. *Indexation*

Shall mean the Guernsey Retail Prices Index excluding mortgage interest (GRPIX) published by the States of Guernsey but if that index ceases to be published then such other indicator of inflation reasonably selected by the Landlord that is similar to the GRPIX.

3. *Memorandum of rent review*

The Landlord and Tenant shall sign and exchange memoranda, in such form as the Landlord shall reasonably require, recording the Annual Rent for the Premises with effect from the Review Date, but the Landlord shall not be prevented from recovering any increase in the Annual Rent if the Tenant should fail to do so.

Signed by THE STATES OF ALDERNEY	<p style="text-align: center;">.....</p> <p style="text-align: center;">Chief Executive</p>
Signed	<p style="text-align: center;">.....</p> <p style="text-align: center;">.....</p>