

| <p><b>[NAME] Riding for the Disabled Association Group</b></p> <p><b>(the Group)</b></p> <p><b>HEADS OF TERMS CHECKLIST</b></p> <p><b>LICENCE</b></p> |  |
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| <b>Property Description</b>   | <p>Is the RDA's property all or part of the building?</p> <p>If part, check that adequate rights to access the property are given</p>  |
| <b>Licence Period</b>   | <p>Be clear on the start and end date of the Licence</p> <p>RDA will be expected to leave on the expiry of the Licence Period or if they breach the terms of the Licence in any way</p>  |
| <b>Licence Fee</b>  | <p>Can the RDA obtain a licence fee free/reduced licence fee period?</p> <p>Will the Licensor require the RDA to pay VAT on the licence fee?</p>   |
| <b>Permitted hours of use</b>   | <p>Check to see if these have been stipulated and if they are adequate</p>   |
| <b>Repair and decoration obligations</b>  | <p>RDA will be obliged to keep the property clean and tidy</p> <p>Consider suggesting a photographic schedule of condition to evidence the state of the property at lease commencement, and negotiating with the Licensor to limit the RDA's repair obligation to the state shown in the schedule. Otherwise the RDA may have to return the property in good repair even if it is in poor repair when the licence starts</p> |
| <b>Insurance</b>  | <p>Usually Landlord insures and the RDA reimburses the premium.</p> <p>Loss of rent period: usually 3 years</p> <p>Licence Fee Suspension: the licence fee could be suspended for the period that the property is unable to be used or accessed because of damage caused by an insured risk</p>  |
| <b>Restrictions on assignment</b>   | <p>RDA will not be permitted to assign</p>   |
| <b>Restrictions on subletting</b>   | <p>RDA will not be permitted to sublet</p>   |
| <b>Permitted use</b>  | <p>Check to ensure that this permits the property to be used for the</p>   |

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|                                    | intended purpose and is not subject to any restrictions   |
| <b>Restrictions on alterations</b> | RDA will not be permitted to make alterations   |
| <b>Other payments</b>              | RDA will pay for all utilities consumed at the property   |
| <b>Any other points of concern</b> | <p>A physical inspection should be made</p> <p>If there are any other specific points of concern such as environmental/contamination issues, flooding, mining subsidence, rights of way/access (not an exhaustive list) then these should be raised with the Licensor's agents prior to HoTs being finalised</p> <p>Once instructed a solicitor should then deal with:</p> <p>Searches - usually the basic searches consist of Local Authority search, highways search, chancel search and Land Registry Index Map Search (to check for any registered titles)</p> <p>Licensor's title and replies to standard enquiries (CPSE1 and 3) - review of title and Licensor's responses together with any ancillary documentation</p> <p>Negotiation of draft Licence</p> |