

CONTRACTING AGREEMENT

Farmer:

Contractor:

The Land: The land parcels listed in the First Schedule and illustrated by the area outlined in red on the attached plan

Start Date: 1st March 2017

End Date: 31st December 2017

Payment Dates 1st August 2017

Contractors Fee Maximum Payment £2,413.80 (£20 per acre) as referred to in 4.1

1 The Agreement

1.1 The Farmer agrees to engage the Contractor to provide services to the Farmer in his farming of the Land with effect from the Start Date for the Term and upon the terms of this Agreement and the Contractor agrees to be so engaged as a Contractor to the Farmer.

1.2 The Farmer hereby gives permission to the Contractor to enter on the Land during the Term specifically and solely to undertake the Contractor's responsibilities as set out in Clause 2 and for no other purpose. Access to the Land is by this licence which is non-exclusive.

1.3 The Farmer will at all times during the Term be in full occupation of the Land and have the land at his disposal and the parties agree and declare that nothing in this Agreement shall:

- give the Contractor any right to enter use occupy or control the Land other than by this licence
- constitute a partnership between the Farmer and the Contractor
- create a tenancy of the Land or a licence for the exclusive occupation of the Land
- create the relationship of employer and employee between the parties.

1.4 Nothing in this Agreement shall prevent the Farmer from carrying out or from engaging other Contractors to carry out any operations on other land or those reasonably required on the Land nor the Contractor from undertaking work on his own or other parties' land.

1.5 For the avoidance of doubt the Contractor agrees that his access to the land is solely by this licence and that:

- he does not have the Land at his disposal for the purposes of the Basic Payment Scheme
- he does not have management control of the land for the purpose of the agreements referred to in Clause 2.2(iii)
- he will make no claim in respect of the Land under the Basic Payment Scheme or any agri-environment agreement.

1.7 The definitions in the Particulars above and the Special Provisions made in the Sixth Schedule shall apply to this Agreement.

1.8 The Contractor shall not be entitled to assign or otherwise deal with the benefit of this Agreement without the written consent of the Farmer.

2 Contractor's Responsibilities

2.1 The Contractor shall be responsible for providing all the manpower and machinery to carry out the grassland and boundary management for the Farmer. The Contractor will acquire all the necessary seeds, fertilisers, sprays and other variable inputs on behalf of the Farmer. The Contractor will keep careful account of all operations and inputs relating to the grassland and make all necessary records in relation to the grassland and hedgerows on the Farmer's behalf with all such records being available to the Farmer as his records. Details of Contracting Operations required and frequency in Schedule 2.

2.2 In carrying out his obligations under this Agreement the Contractor (including anyone he may have employed or instructed in undertaking his responsibilities) will subject to directions under Clause 3.3:

- (i) comply with all statutory requirements
- (ii) comply with any agri-environment agreement or similar agreement in force in relation to the Land, the details of which are recorded in Part 1 of the Third Schedule to this Agreement
- (iii) comply with the requirements of cross compliance as imposed on the Farmer by the European Union's Common Agricultural Policy, the details of which are recorded in Part 2 of the Third Schedule to this Agreement
- (iv) comply with the requirements of Greening as relevant to and applied by the Farmer in relation to the Basic Payment Scheme the details of which are recorded in Part 3 of the Third Schedule to this Agreement
- (v) comply with relevant assurance scheme and codes of good practice.
- (vi) not do any act or thing in respect of the Land which may prejudice or result in the rejection reduction or refusal of any claim made by the Farmer for entitlements to payments or payments under the Basic Payment Scheme Greening the agreements referred to in Clause 2.2(iii) and any successor schemes or agreements
- (vii) not obstruct any public rights of way over the Land as notified to him in Part 2 of the Third Schedule to this Agreement
- (viii) promptly comply with any requests directives or other communications from any competent authority in respect of the Land whether given to the Farmer or directly insofar as they relate to the matters covered by the Agreement

2.3 The Contractor hereby indemnifies the Farmer in respect of all and any losses costs penalties claims proceedings and demands (including legal and other professional costs and expenses) arising from the act or default of the Contractor (including those whom he may have employed or instructed in undertaking his responsibilities).

2.4 The Contractor shall:

- (i) hold and maintain insurance cover for his work under this Agreement and have public liability insurance for not less than £5,000,000 on any one occurrence or series of occurrences arising out of one event in force throughout the Term.
- (ii) ensure that any sub-contractor hired by him in connection with this Agreement holds and maintains the insurances required by Clause 2.4(i).
- (iii) provide the Farmer with copies of the insurance policies required by sub-clauses 2.4(i) and 2.4(ii) if required.

3 Farmer's Responsibilities

3.1 The Farmer shall give the Contractor such directions as considered necessary for the implementation of this Agreement including those necessary to ensure compliance with Clause 2.2.

3.2 The Farmer will provide the Contractor with a written statement of the requirements of any assurance schemes and agri-environment agreements that are in force in relation to the Land.

3.3 The Farmer will promptly advise the Contractor of any requests directives or other communications from any competent authority in respect of the Land insofar as they relate to the matters covered by the Agreement

4 Payments

4.1 On the Payment Date the Contractor will deliver an invoice to the Farmer setting out the cost of all inputs bought and operations done by the Contractor on the Farmer's behalf relating to the Crops under this Agreement to the date of the invoice subject to any maximum charge per acre for operations relating to the Land as detailed.

4.2 The Farmer will pay the invoice within 28 days of receiving it.

4.3 Such Value Added Tax as is properly chargeable shall be due at the prevailing rate or rates in addition to each payment under this Agreement.

5. Breach of the Agreement

5.1 Where the Contractor has committed a material breach of his obligations under the terms of this Agreement or where the Farmer reasonably expects that a loss (including penalties or reductions in payments under the Common Agricultural Policy) will arise unless the Contractor acts in accordance with this Agreement the Farmer may give the Contractor written notice of the remedial or other action reasonably required for compliance with this Agreement.

5.2 If the Contractor does not take that action within 14 days of such notice having been given (or such shorter period as may be reasonably necessary to establish produce and harvest the Crops and stated in that notice) the Farmer shall be entitled to:

- (i) carry out or instruct such works as may be required or
- (ii) terminate this Agreement (including for the avoidance of doubt, any Option exercised by the Contractor pursuant to this Agreement) forthwith and without having to make any further payment under this Agreement save in respect of works properly undertaken by the Contractor

6 Termination During the Term

6.1 This Agreement may be terminated during the Term as follows:

6.1.1 If either party shall become bankrupt or insolvent or make a composition or arrangement with any creditors or have a winding up order made against him or pass a resolution for voluntary winding up or if a liquidator or administrator or receiver or similar is appointed of its undertaking or if possession is taken by or on behalf of the holder of any debts of any of its assets then this Agreement may be terminated by either party on giving not less than 28 days prior notice in writing to the other.

6.2 On the termination of this Agreement within the Term under this clause 7 the Contractor shall be entitled to invoice the Farmer and to be paid for work done and inputs supplied up to the date on which the Agreement terminates. The Farmer will pay that invoice within 28 days of receiving it but may deduct losses reasonably arising or expected to arise from any breach of this Agreement by the Contractor.

6.3 The termination of this Agreement shall be without prejudice to the right of either party to make claims in relation to antecedent breaches or losses suffered arising from such breaches

7. Interest

Interest will be due at the rate of 4 per cent over the current Official Bank Rate of the Bank of England on a daily basis on all sums due and unpaid under the terms of this Agreement from the due date to the date of actual payment.

8. Resolution of Disputes

In the event of a dispute between the Farmer and the Contractor on the operation construction or effect of this Agreement or any matter relating or incidental thereto and if either party wishes to have the dispute determined then that party shall refer such dispute to a Valuer to be agreed upon between the parties or in default of agreement appointed on the application of either party by the President for the time being of the Central Association of Agricultural Valuers. Such a Valuer shall act as an expert and not as an arbitrator. Save as to any matters of procedure agreed by the parties all procedure in the determination shall be as directed by the expert. The determination of the expert shall be final and binding on the parties and the costs of his appointment and determination as well as those of the parties in the matter shall be met by the parties according to his determination.

9. Non Merger

The rights and obligations of both Farmer and Contractor under this Agreement will continue notwithstanding the exercise of the Option or the termination or other expiry of this Agreement in so far as they remain to be performed or adhered to unless otherwise agreed.

THE FIRST SCHEDULE

The Land

Map Reference Number	Name / Detail	Acres
6	Permanent Pasture	7.83
7	Permanent Pasture	6.35
8	Permanent Pasture	5.86
9	Permanent Pasture	3.95
10	Permanent Pasture	4.35
11	Permanent Pasture	8.30
12	Permanent Pasture	8.06
13	Permanent Pasture	7.07
14	Permanent Pasture	6.94
15	Permanent Pasture	6.97
16	Permanent Pasture	6.87
17	Permanent Pasture	7.19
18	Permanent Pasture	3.14
19	Permanent Pasture	7.07
20	Permanent Pasture	8.10
21	Permanent Pasture	9.79
22	Permanent Pasture	6.20
23	Permanent Pasture	6.65
	TOTAL	120.69

THE SECOND SCHEDULE

Contracting Operations	Frequency
Hedge Cutting	All hedgerows once
Flat Roll	Once or as required
Chain harrow	Once or as required
Fertilise	As required
Manure Spreading	As required
Repairs to Fencing	As required
Repairs to Gates and Gate Posts	As required

THE THIRD SCHEDULE

PART 1

The requirements of the Farmer's agreements mentioned in Clause 2.2(ii)

PART 2

Any specific points arising from the Land that are important to Cross Compliance including public rights of way over the Land

PART 3

Where relevant the Farmer's chosen options to deliver any liability for crop diversification and Ecological Focus Areas on the Land under Greening

AS WITNESS the hands of the parties

SIGNED by the Farmer

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IN the presence of.....

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SIGNED by the Contractor

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IN the presence of.....

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