

BETWEEN

(1) **WYRE FOREST DISTRICT COUNCIL** of Civic Centre Stourport on

Severn Worcestershire DY13 8UJ ("the Council"), and

(2) **DC LEISURE MANAGEMENT LIMITED** (Company Registration No.

2585598) whose registered office is Otium House 2 Freemantle Road
Bagshot Surrey GU 19 5LL ("the Contractor")

BACKGROUND:

1. The Department for Culture, Media and Sport have proposed a scheme

to all local authorities in England whereby various grant funding would
be made available for free swimming for over 60's and under 16's.

2. The grant funding available for over 60's in Wyre Forest is a fixed sum
of £34,916 per annum for 2 years, based on the population of those
aged 60 and over in Wyre Forest. The calculation does not reflect
actual usage at the swimming and leisure centres and is based on a
predetermined amount set nationally.

3. The grant funding for under 16's is as yet unknown. The total available
funding across England is £25 million. The final grant funding available
will depend on how many authorities wish to participate in the under
16's scheme and how many authorities do not accept their allocation
for over 60's funding as well as a similar calculation as to the funding
for over 60's based on population in Wyre Forest under 16 years of age.

4. In order to access the over 60's grant the Council confirmed by the 15th

September 2008 that it wished to accept this grant. To access the
under 16 funding, the Council was required to express an interest by
the 15th September 2008 and accept the offer of a specific amount (to
be confirmed), by 15th October 2008.

5. The Council's Sports and leisure centres are operated by the
Contractor in accordance with a Partnership Agreement dated 1st April
2003 ("the Principal Agreement").

6. The Contractor has agreed to operate the over 60's on the Council's
behalf and has further agreed to indemnify the Council in respect of

any shortfall between the amount of the grant funding received under the Scheme and the actual costs incurred by the Contractor in the operation of the Scheme.

OPERATIVE PROVISIONS

1. The Contractor hereby agrees and acknowledges that the Council shall only be liable to fund the Scheme up to the amount of grant funding received from the Department for Culture, Media and Sport to fund the Scheme.

2. The Contractor will indemnify and keep indemnified the Council in full against any costs expenditure or any other liability incurred by the Contractor in the operation of the Scheme in excess of the amount of grant funding received by the Council from the Department for Culture, Media and Sport to fund the Scheme.

3. The parties to this Deed do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

4. The validity construction and performance of this Deed shall be governed by English Law and each party agrees to submit to the exclusive jurisdiction of the English courts as regards any claim or matter arising under this Deed.

5. In the event of there being any dispute between the parties hereto in respect of any of the matters to be agreed under the terms of this Deed such dispute shall be determined in accordance with the relevant provisions of the Principal Agreement

6. All monies received will be passed on in full to the contractor upon receipt of payment and will be used to in accordance to the scheme guidelines to operate the scheme in its entirety.

7. All monies received are net of VAT and will be grossed up accordingly as a Local Authority WFDC will be able to reclaim the VAT as an input tax suffered.

IN WITNESS HEREOF THIS DEED IS EXECUTED AND DELIVERED AS A DEED BY THE PARTIES THE DAY AND YEAR BEFORE WRITTEN

THE COMMON SEAL OF
)
WYRE FOREST DISTRICT COUNCIL)
)
Was authenticated
)
In the presence of
)

THE COMMON SEAL OF
)
DC LEISURE MANAGEMENT)
)
LIMITED was affixed and witnessed
)
In the presence of
)

STUART BOOTH
D. C. LEISURE