



Trustee Act 1925

1925 CHAPTER 19 15 and 16 Geo 5

PART II

GENERAL POWERS OF TRUSTEES AND PERSONAL REPRESENTATIVES

Indemnities

26 Protection against liability in respect of rents and covenants.

- (1) Where a personal representative or trustee liable as such for—
- (a) any rent, covenant, or agreement reserved by or contained in any lease; or
 - (b) any rent, covenant or agreement payable under or contained in any grant made in consideration of a rentcharge; or
 - (c) any indemnity given in respect of any rent, covenant or agreement referred to in either of the foregoing paragraphs;

satisfies all liabilities under the lease or grant [^{F1}which may have accrued and been claimed] up to the date of the conveyance hereinafter mentioned, and, where necessary, sets apart a sufficient fund to answer any future claim that may be made in respect of any fixed and ascertained sum which the lessee or grantee agreed to lay out on the property demised or granted, although the period for laying out the same may not have arrived, then and in any such case the personal representative or trustee may convey the property demised or granted to a purchaser, legatee, devisee, or other person entitled to call for a conveyance thereof and thereafter—

- (i) he may distribute the residuary real and personal estate of the deceased testator or intestate, or, as the case may be, the trust estate (other than the fund, if any, set apart as aforesaid) to or amongst the persons entitled thereto, without appropriating any part, or any further part, as the case may be, of the estate of the deceased or of the trust estate to meet any future liability under the said lease or grant;
- (ii) notwithstanding such distribution, he shall not be personally liable in respect of any subsequent claim under the said lease or grant.

*Changes to legislation: There are currently no known outstanding effects
 for the Trustee Act 1925, Section 26. (See end of Document for details)*

[^{F2}(1A) Where a personal representative or trustee has as such entered into, or may as such be required to enter into, an authorised guarantee agreement with respect to any lease comprised in the estate of a deceased testator or intestate or a trust estate (and, in a case where he has entered into such an agreement, he has satisfied all liabilities under it which may have accrued and been claimed up to the date of distribution)—

- (a) he may distribute the residuary real and personal estate of the deceased testator or intestate, or the trust estate, to or amongst the persons entitled thereto—
 - (i) without appropriating any part of the estate of the deceased, or the trust estate, to meet any future liability (or, as the case may be, any liability) under any such agreement, and
 - (ii) notwithstanding any potential liability of his to enter into any such agreement; and
- (b) notwithstanding such distribution, he shall not be personally liable in respect of any subsequent claim (or, as the case may be, any claim) under any such agreement.

In this subsection “authorised guarantee agreement” has the same meaning as in the Landlord and Tenant (Covenants) Act 1995.]

- (2) This section operates without prejudice to the right of the lessor or grantor, or the persons deriving title under the lessor or grantor, to follow the assets of the deceased or the trust property into the hands of the persons amongst whom the same may have been respectively distributed, and applies notwithstanding anything to the contrary in the will or other instrument, if any, creating the trust.
- (3) In this section “lease” includes an underlease and an agreement for a lease or underlease and any instrument giving any such indemnity as aforesaid or varying the liabilities under the lease; “grant” applies to a grant whether the rent is created by limitation, grant, reservation, or otherwise, and includes an agreement for a grant and any instrument giving any such indemnity as aforesaid or varying the liabilities under the grant; “lessee” and “grantee” include persons respectively deriving title under them.

Textual Amendments

F1 Words substituted by [Law of Property \(Amendment\) Act 1926 \(c. 11\)](#), [Sch.](#)

F2 [S. 26\(1A\)](#) inserted (1.1.1996) by [1995 c. 30, s. 30\(1\)](#), [Sch. 1 para.1](#) (with [ss. 2\(2\)](#), [26\(1\)\(2\)](#)); [S.I. 1995/2963](#), [art.2](#)

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