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STATUTORY INSTRUMENTS

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**2016 No. 790**

**The Pubs Code etc. Regulations 2016**

**PART 6**

Market rent only option: procedure to be followed in connection with an offer

**The negotiation period**

**34.**—(1) This regulation applies where—

- (a) the pub-owning business has provided the tenant with a full response under regulation 29(3) or a revised response under regulation 33(2); and
- (b) the tied pub tenant continues to wish to pursue a market rent only option.

(2) The tied pub tenant and the pub-owning business must, until the end of the MRO procedure, seek to agree a tenancy or licence that is MRO-compliant.

(3) Where—

- (a) the pub-owning business proposes a tenancy or licence to the tied pub tenant during the negotiation period;
- (b) the tied pub tenant does not, during that period, communicate to the pub-owning business, in writing, a decision to accept or reject the proposal;
- (c) the tenant does not make a reference under regulation 35 in relation to the proposed tenancy or licence; and
- (d) the time allowed under that regulation for making such a reference has expired,

the proposal lapses on the day after that on which the time so allowed expires.

(4) The negotiation period is the period of 56 days beginning with the day on which the tied pub tenant receives—

- (a) a full response under regulation 29(3); or
- (b) if later, a revised response under regulation 33(2).