

## SCHEDULE 2

### EXCEPTIONS TO SECTION 7

#### PART 1

#### TENANCIES AND LICENCES NOT WITHIN SECTION 7 THAT ARE OCCUPATION CONTRACTS IF NOTICE IS GIVEN

##### *The rule*

- 1 (1) A tenancy or licence which is not within section 7 may be an occupation contract if—
  - (a) it confers the right to occupy the dwelling as a home on an individual (“the beneficiary”) other than the person with whom it is made, and
  - (b) the notice condition is met.
- (2) A tenancy or licence which is not within section 7 because no rent or other consideration is payable under it (and to which sub-paragraph (1) does not apply) may be an occupation contract if the notice condition is met.
- (3) The notice condition is met if, before or at the time when the tenancy or licence is made, the landlord gives a notice to the person with whom it is made stating that it is to be an occupation contract.

##### *Contracts for another’s benefit: further provision*

- 2 (1) This paragraph applies where a notice under paragraph 1(3) is given in relation to a tenancy or licence within paragraph 1(1)(a).
- (2) The notice may specify provisions of this Act and regulations made under it which are to have effect in relation to the occupation contract as if references to the contract-holder were references to the beneficiary.
- (3) If it does so, the provisions specified in the notice have effect accordingly.
- (4) Section 20(1)(b) and (2)(b) applies to fundamental provisions specified in the notice as if references to the contract-holder were references to the beneficiary.