

SCHEDULES

SCHEDULE 1

Section 30(1).

CONSEQUENTIAL AMENDMENTS

Trustee Act 1925 (c. 19)

1 In section 26 of the Trustee Act 1925 (protection against liability in respect of rents and covenants), after subsection (1) insert—

“(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.”

Law of Property Act 1925 (c. 20)

2 In section 77 of the Law of Property Act 1925 (implied covenants in conveyances subject to rents), for subsection (2) substitute—

“(2) Where in a conveyance for valuable consideration, other than a mortgage, part of land affected by a rentcharge is, without the consent of the owner of the rentcharge, expressed to be conveyed subject to or charged with the entire rent, paragraph (B)(i) of subsection (1) of this section shall apply as if, in paragraph (i) of Part VIII of the Second Schedule to this Act—

- (a) any reference to the apportioned rent were to the entire rent; and
- (b) the words “(other than the covenant to pay the entire rent)” were omitted.

(2A) Where in a conveyance for valuable consideration, other than a mortgage, part of land affected by a rentcharge is, without the consent of the owner of the rentcharge, expressed to be conveyed discharged or exonerated from the

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entire rent, paragraph (B)(ii) of subsection (1) of this section shall apply as if, in paragraph (ii) of Part VIII of the Second Schedule to this Act—

- (a) any reference to the balance of the rent were to the entire rent; and
- (b) the words “, other than the covenant to pay the entire rent,” were omitted.”

Landlord and Tenant Act 1954 (c. 56)

- 3 At the end of section 34 of the Landlord and Tenant Act 1954 (rent under new tenancy) insert—

“(4) It is hereby declared that the matters which are to be taken into account by the court in determining the rent include any effect on rent of the operation of the provisions of the Landlord and Tenant (Covenants) Act 1995.”

- 4 (1) The existing provisions of section 35 of that Act (other terms of new tenancy) shall constitute subsection (1) of that section.

- (2) After those provisions insert—

“(2) In subsection (1) of this section the reference to all relevant circumstances includes (without prejudice to the generality of that reference) a reference to the operation of the provisions of the Landlord and Tenant (Covenants) Act 1995.”