

SCHEDULE 1

Article 22(2)

FORM OF NOTICE THAT SECTIONS 24 TO 28 OF THE LANDLORD AND TENANT ACT 1954 ARE NOT TO APPLY TO A BUSINESS TENANCY

To:

.....
.....
..... [Name and address of tenant]

From:

.....
.....
..... [Name and address of landlord]

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

IMPORTANT NOTICE

You are being offered a lease without security of tenure. Do not commit yourself to the lease unless you have read this message carefully and have discussed it with a professional adviser.

Business tenants normally have security of tenure – the right to stay in their business premises when the lease ends.

If you commit yourself to the lease you will be giving up these important legal rights.

- You will have **no right** to stay in the premises when the lease ends.
- Unless the landlord chooses to offer you another lease, you will need to leave the premises.
- You will be unable to claim compensation for the loss of your business premises, unless the lease specifically gives you this right.
- If the landlord offers you another lease, you will have no right to ask the court to fix the rent.

It is therefore important to get professional advice – from a qualified surveyor, lawyer or accountant - before agreeing to give up these rights.

If you receive this notice at least 14 days before committing yourself to the lease, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the lease.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the lease sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to exclude the protection of the Landlord and Tenant Act 1954, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

SCHEDULE 2

Article 22(2)

**REQUIREMENTS FOR A VALID AGREEMENT THAT
SECTIONS 24 TO 28 OF THE LANDLORD AND TENANT
ACT 1954 ARE NOT TO APPLY TO A BUSINESS TENANCY**

1. The following are the requirements referred to in section 38A(3)(b) of the Act.

2. Subject to paragraph 4, the notice referred to in section 38A(3)(a) of the Act must be served on the tenant not less than 14 days before the tenant enters into the tenancy to which it applies, or (if earlier) becomes contractually bound to do so.

3. If the requirement in paragraph 2 is met, the tenant, or a person duly authorised by him to do so, must, before the tenant enters into the tenancy to which the notice applies, or (if earlier) becomes contractually bound to do so, make a declaration in the form, or substantially in the form, set out in paragraph 7.

4. If the requirement in paragraph 2 is not met, the notice referred to in section 38A(3)(a) of the Act must be served on the tenant before the tenant enters into the tenancy to which it applies, or (if earlier) becomes contractually bound to do so, and the tenant, or a person duly authorised by him to do so, must before that time make a statutory declaration in the form, or substantially in the form, set out in paragraph 8.

5. A reference to the notice and, where paragraph 3 applies, the declaration or, where paragraph 4 applies, the statutory declaration must be contained in or endorsed on the instrument creating the tenancy.

6. The agreement under section 38A(1) of the Act, or a reference to the agreement, must be contained in or endorsed upon the instrument creating the tenancy.

7. The form of declaration referred to in paragraph 3 is as follows:—

- I (*name of declarant*) of (*address*) declare that
1. I/ (*name of tenant*) propose(s) to enter into a tenancy of premises at (*address of premises*) for a term commencing on
 2. I/The tenant propose(s) to enter into an agreement with (*name of landlord*) that the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954 (security of tenure) shall be excluded in relation to the tenancy.
 3. The landlord has, not less than 14 days before I/the tenant enter(s) into the tenancy, or (if earlier) become(s) contractually bound to do so served on me/the tenant a notice in the form, or substantially in the form, set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003. The form of notice set out in that Schedule is reproduced below.
 4. I have/The tenant has read the notice referred to in paragraph 3 above and accept(s) the consequences of entering into the agreement referred to in paragraph 2 above.
 5. (*as appropriate*) I am duly authorised by the tenant to make this declaration.

DECLARED this day of

To:

.....
.....
..... [Name and address of tenant]

From:

.....
.....
..... [name and address of landlord]

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IMPORTANT NOTICE

You are being offered a lease without security of tenure. Do not commit yourself to the lease unless you have read this message carefully and have discussed it with a professional adviser.

Business tenants normally have security of tenure – the right to stay in their business premises when the lease ends.

If you commit yourself to the lease you will be giving up these important legal rights.

- You will have **no right** to stay in the premises when the lease ends.
- Unless the landlord chooses to offer you another lease, you will need to leave the premises.
- You will be unable to claim compensation for the loss of your business premises, unless the lease specifically gives you this right.
- If the landlord offers you another lease, you will have no right to ask the court to fix the rent.

It is therefore important to get professional advice – from a qualified surveyor, lawyer or accountant – before agreeing to give up these rights.

If you want to ensure that you can stay in the same business premises when the lease ends, you should consult your adviser about another form of lease that does not exclude the protection of the Landlord and Tenant Act 1954.

If you receive this notice at least 14 days before committing yourself to the lease, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the lease.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the lease sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to exclude the protection of the Landlord and Tenant Act 1954, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

8. The form of statutory declaration referred to in paragraph 4 is as follows:—

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I.....(*name of declarant*) of(*address*) do solemnly and sincerely declare that—

1. I(*name of tenant*) propose(s) to enter into a tenancy of premises at.....(*address of premises*) for a term commencing on.....

2. I/The tenant propose(s) to enter into an agreement with.....(*name of landlord*) that the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954 (security of tenure) shall be excluded in relation to the tenancy.

3. The landlord has served on me/the tenant a notice in the form, or substantially in the form, set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003. The form of notice set out in that Schedule is reproduced below.

4. I have/The tenant has read the notice referred to in paragraph 3 above and accept(s) the consequences of entering into the agreement referred to in paragraph 2 above.

5. (*as appropriate*) I am duly authorised by the tenant to make this declaration.

To:

.....
.....
..... [*name and address of tenant*]

From:

.....
.....
..... [*Name and address of landlord*]

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IMPORTANT NOTICE

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If you commit yourself to the lease you will be giving up these important legal rights.

- You will have **no right** to stay in the premises when the lease ends.
- Unless the landlord chooses to offer you another lease, you will need to leave the premises.
- You will be unable to claim compensation for the loss of your business premises, unless the lease specifically gives you this right.
- If the landlord offers you another lease, you will have no right to ask the court to fix the rent.

It is therefore important to get professional advice – from a qualified surveyor, lawyer or accountant – before agreeing to give up these rights.

If you want to ensure that you can stay in the same business premises when the lease ends, you should consult your adviser about another form of lease that does not exclude the protection of the Landlord and Tenant Act 1954.

If you receive this notice at least 14 days before committing yourself to the lease, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the lease.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the lease sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to exclude the protection of the Landlord and Tenant Act 1954, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

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AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declaration Act 1835.

DECLARED at this day of

Before me

(signature of person before whom declaration is made)

A commissioner for oaths *or* A solicitor empowered to administer oaths *or* *(as appropriate)*

SCHEDULE 3

Article 22(2)

FORM OF NOTICE THAT AN AGREEMENT TO SURRENDER A BUSINESS TENANCY IS TO BE MADE

To:

.....
.....
..... *[name and address of tenant]*

From:

.....
.....
..... *[Name and address of landlord]*

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IMPORTANT NOTICE FOR TENANT

Do not commit yourself to any agreement to surrender your lease unless you have read this message carefully and discussed it with a professional adviser.

Normally, you have the right to renew your lease when it expires. By committing yourself to an agreement to surrender, **you will be giving up this important statutory right.**

- You will **not** be able to continue occupying the premises beyond the date provided for under the agreement for surrender, **unless** the landlord chooses to offer you a further term (in which case you would lose the right to ask the court to determine the new rent). You will need to leave the premises.
- You will be unable to claim compensation for the loss of your premises, unless the lease or agreement for surrender gives you this right.

A qualified surveyor, lawyer or accountant would be able to offer you professional advice on your options.

You do not have to commit yourself to the agreement to surrender your lease unless you want to.

If you receive this notice at least 14 days before committing yourself to the agreement to surrender, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the agreement to surrender.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the agreement to surrender sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to end your lease, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

SCHEDULE 4

Article 22(2)

REQUIREMENTS FOR A VALID AGREEMENT TO SURRENDER A BUSINESS TENANCY

1. The following are the requirements referred to in section 38A(4)(b) of the Act.
2. Subject to paragraph 4, the notice referred to in section 38A(4)(a) of the Act must be served on the tenant not less than 14 days before the tenant enters into the agreement under section 38A(2) of the Act, or (if earlier) becomes contractually bound to do so.

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3. If the requirement in paragraph 2 is met, the tenant or a person duly authorised by him to do so, must, before the tenant enters into the agreement under section 38A(2) of the Act, or (if earlier) becomes contractually bound to do so, make a declaration in the form, or substantially in the form, set out in paragraph 6.

4. If the requirement in paragraph 2 is not met, the notice referred to in section 38A(4)(a) of the Act must be served on the tenant before the tenant enters into the agreement under section 38A(2) of the Act, or (if earlier) becomes contractually bound to do so, and the tenant, or a person duly authorised by him to do so, must before that time make a statutory declaration in the form, or substantially in the form, set out in paragraph 7.

5. A reference to the notice and, where paragraph 3 applies, the declaration or, where paragraph 4 applies, the statutory declaration must be contained in or endorsed on the instrument creating the agreement under section 38A(2).

6. The form of declaration referred to in paragraph 3 is as follows:—

I(name of declarant) of(address) declare that—

1. I have/ (name of tenant) has a tenancy of premises at (address of premises) for a term commencing on

2. I/The tenant propose(s) to enter into an agreement with..... (name of landlord) to surrender the tenancy on a date or in circumstances specified in the agreement.

3. The landlord has not less than 14 days before I/the tenant enter(s) into the agreement referred to in paragraph 2 above, or (if earlier) become(s) contractually bound to do so, served on me/the tenant a notice in the form, or substantially in the form, set out in Schedule 3 to Regulatory Reform (Business Tenancies) (England and Wales) Order 2003. The form of notice set out in that Schedule is reproduced below.

4. I have/The tenant has read the notice referred to in paragraph 3 above and accept(s) the consequences of entering into the agreement referred to in paragraph 2 above.

5. (as appropriate) I am duly authorised by the tenant to make this declaration.

DECLARED this.....day of.....

To:

.....
.....
..... [name and address of tenant]

From:

.....
.....
..... [Name and address of landlord]

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IMPORTANT NOTICE FOR TENANT

Do not commit yourself to any agreement to surrender your lease unless you have read this message carefully and discussed it with a professional adviser.

Normally, you have the right to renew your lease when it expires. By committing yourself to an agreement to surrender, **you will be giving up this important statutory right.**

- You will **not** be able to continue occupying the premises beyond the date provided for under the agreement for surrender, **unless** the landlord chooses to offer you a further term (in which case you would lose the right to ask the court to determine the new rent). You will need to leave the premises.
- You will be unable to claim compensation for the loss of your premises, unless the lease or agreement for surrender gives you this right.

A qualified surveyor, lawyer or accountant would be able to offer you professional advice on your options.

You do not have to commit yourself to the agreement to surrender your lease unless you want to.

If you receive this notice at least 14 days before committing yourself to the agreement to surrender, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the agreement to surrender.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the agreement to surrender sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to end your lease, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

7. The form of statutory declaration referred to in paragraph 4 is as follows:—

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I(*name of declarant*) of(*address*)
do solemnly and sincerely declare that—

1. I have/ (*name of tenant*) has a tenancy of premises
at (*address of premises*)
for a term commencing on

2. I/The tenant propose(s) to enter into an agreement with.....
(*name of landlord*) to surrender the tenancy on a date or in circumstances specified in the agreement.

3. The landlord has served on me/the tenant a notice in the form, or substantially in the form, set out
in Schedule 3 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003. The form
of notice set out in that Schedule is reproduced below.

4. I have/The tenant has read the notice referred to in paragraph 3 above and accept(s) the
consequences of entering into the agreement referred to in paragraph 2 above.

5. (*as appropriate*) I am duly authorised by the tenant to make this declaration.

To:

.....
.....
..... [*name and address of tenant*]

From:

.....
.....
..... [*Name and address of landlord*]

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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Normally, you have the right to renew your lease when it expires. By committing yourself to an agreement to surrender, **you will be giving up this important statutory right.**

- You will **not** be able to continue occupying the premises beyond the date provided for under the agreement for surrender, **unless** the landlord chooses to offer you a further term (in which case you would lose the right to ask the court to determine the new rent). You will need to leave the premises.
- You will be unable to claim compensation for the loss of your premises, unless the lease or agreement for surrender gives you this right.

A qualified surveyor, lawyer or accountant would be able to offer you professional advice on your options.

You do not have to commit yourself to the agreement to surrender your lease unless you want to.

If you receive this notice at least 14 days before committing yourself to the agreement to surrender, you will need to sign a simple declaration that you have received this notice and have accepted its consequences, before signing the agreement to surrender.

But if you do not receive at least 14 days notice, you will need to sign a "statutory" declaration. To do so, you will need to visit an independent solicitor (or someone else empowered to administer oaths).

Unless there is a special reason for committing yourself to the agreement to surrender sooner, you may want to ask the landlord to let you have at least 14 days to consider whether you wish to give up your statutory rights. If you then decided to go ahead with the agreement to end your lease, you would only need to make a simple declaration, and so you would not need to make a separate visit to an independent solicitor.

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835

DECLARED at this day of

Before me (*signature of person before whom declaration is made*)

A commissioner for oaths or A solicitor empowered to administer oaths or (*as appropriate*)

SCHEDULE 5

Article 28(1)

CONSEQUENTIAL AMENDMENTS

Landlord and Tenant Act 1954

1. The Act shall be amended as follows.
2. After section 14 insert—

“Compensation for possession obtained by misrepresentation

14A. Where an order is made for possession of the property comprised in a tenancy to which section 1 of this Act applies and it is subsequently made to appear to the court that the order was obtained by misrepresentation or the concealment of material facts, the court may order the landlord to pay to the tenant such a sum as appears sufficient as compensation for damage or loss sustained by the tenant as the result of the order.”.
3. In section 26(1), for the words “tenancy under which he holds for the time being (hereinafter referred to as “the current tenancy”)” substitute “current tenancy”.
4. In section 38(2) and (3) for the words “the last foregoing section” substitute the words “section 37 of this Act”.
5. In section 41A(6) for the words from “section 29(1)” to “jointly” substitute “section 29 of this Act for the grant of a new tenancy it may order the grant to be made to the business tenants or to them jointly”.
6. In section 46—
 - (a) for the definition of “current tenancy” substitute—

““current tenancy” means the tenancy under which the tenant holds for the time being;” and
 - (b) after the definition of “the holding” insert—

““interim rent” has the meaning given by section 24A(1) of this Act;”.
7. In sections 57(3)(a) and 58(1)(a)—

for the words “subsection (5) and” substitute the word “subsection”; and

after the word “under”, in the second place where it occurs, insert the words “subsection (1) of”.
8. In section 59(1), after “(3)” insert the words “to (3B)”.
9. In section 64(1)(b), for the words “the said part II” substitute the words “under section 24(1) or 29(2) of this Act”.

Leasehold Reform Act 1967

10. Schedule 3 to the Leasehold Reform Act 1967 (1) shall be amended as follows.
11. For paragraph 2(1) substitute—

“(1) Sub-paragraphs (1A) to (1E) below apply where a landlord’s notice terminating the tenancy of any property has been given under section 4 or 25 of the Landlord and Tenant Act 1954 or served under paragraph 4(1) of Schedule 10 to the Local Government and Housing Act 1989 (whether or not that notice has effect to terminate the tenancy).

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(1A) A claim to acquire the freehold or an extended lease of the property shall be of no effect if made after the relevant time, but this sub-paragraph is subject to sub-paragraphs (1D) and (1E) below.

(1B) In this paragraph (but subject to sub-paragraph (1C) below) “the relevant time” is the end of the period of two months beginning with the date on which the landlord’s notice terminating the tenancy has been given or served.

(1C) Where—

- (a) a landlord’s notice terminating the tenancy has been given under section 25 of the Landlord and Tenant Act 1954, and
- (b) the tenant applies to the court under section 24(1) of that Act for an order for the grant of a new tenancy before the end of the period of two months mentioned in sub-paragraph (1B) above,

“the relevant time” is the time when the application is made.

(1D) Sub-paragraph (1A) above shall not apply where the landlord gives his written consent to the claim being made after the relevant time.

(1E) Where a tenant, having given notice of a desire to have the freehold, gives after the relevant time a further notice under section 9(3) of this Act of his inability or unwillingness to acquire the house and premises at the price he must pay, he may with the notice under section 9(3) give a notice of his desire to have an extended lease (if he then has a right to such a lease).”.

12. After paragraph 2 insert—

“2A.—(1) If—

- (a) the landlord commences proceedings under Part 2 of the Landlord and Tenant Act 1954; and
- (b) the tenant subsequently makes a claim to acquire the freehold or an extended lease of the property; and
- (c) paragraph 2 above does not render the claim of no effect,

no further steps shall be taken in the proceedings under Part 2 otherwise than for their dismissal and for the making of any consequential order.

(2) Section 64 of the Landlord and Tenant Act 1954 shall have no effect in a case to which sub-paragraph (1) above applies.”.

13. After paragraph 10(2) insert—

“(2A) If the landlord’s notice is under section 25 of the Landlord and Tenant Act 1954, sub-paragraph (2) above shall effect in relation to it as if in paragraph (b), after the word “operate” there were inserted the words “and no further proceedings may be taken by him under Part 2 of the Landlord and Tenant Act 1954.””.

SCHEDULE 6

Article 28(2)

ENACTMENTS REPEALED

Chapter	Short title	Extent of repeal
2 and 3 Eliz. 2 c. 56	Landlord and Tenant Act 1954	Section 24(2)(b) and the word “or” immediately preceding it.

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Chapter	Short title	Extent of repeal
		Section 25(5).
		In section 27(2), the word “quarter”.
		Section 30(3).
		Section 38(4).
		In section 42(1), the second paragraph.
		Section 55.
		In section 67, the words “(2) or”.
1967 c. 88	Leasehold Reform Act 1967	In Schedule 3, paragraph 2(4)(b) and the word “and” immediately preceding it.
1969 c. 59	Law of Property Act 1969	Section 6.
1989 c. 40	Companies Act 1989	In Schedule 18, paragraph 3.