|  |
| --- |
| Dated |
|  |
| [FIRST LANDLORD]and[SECOND LANDLORD]and[TENANT]and[GUARANTOR] |
|  |
| LICENCE FOR ALTERATIONSRelating to premises known as [DESCRIPTION]and to premises known as [DESCRIPTION] |
|  |
|  |

[NOTE: FOR USE ONLY WHERE THE ALTERATIONS ARE BEING CARRIED OUT TO UNITE TWO PREMISES OWNED BY DIFFERENT LANDLORDS]

**CONTENTS**

**Clause Page**

[1. Definitions 1](#_Toc6301611)

[2. Interpretation 3](#_Toc6301612)

[3. Licence for alterations 5](#_Toc6301613)

[4. Obligations before beginning the Works 5](#_Toc6301614)

[5. Obligations when carrying out the Works 5](#_Toc6301615)

[6. Obligations on completion of the works 6](#_Toc6301616)

[7. CDM Regulations 7](#_Toc6301617)

[8. Energy Performance Certificates 8](#_Toc6301618)

[9. Additional obligations 8](#_Toc6301619)

[10. Rent review 9](#_Toc6301620)

[11. Reinstatement 10](#_Toc6301621)

[12. Costs 10](#_Toc6301622)

[13. Remedying breaches 11](#_Toc6301623)

[14. Landlords’ rights of entry 11](#_Toc6301624)

[15. Exclusion of warranties 11](#_Toc6301625)

[16. Agreements 11](#_Toc6301626)

[17. [Guarantor’s obligations 12](#_Toc6301627)

[18. Notices 13](#_Toc6301628)

[19. Jurisdiction 13](#_Toc6301629)

[20. Legal effect 13](#_Toc6301630)

[Schedule 1 14](#_Toc6301631)

[The Works 14](#_Toc6301632)

**LICENCE FOR ALTERATIONS**

**DATED**

**PARTIES**

1. [FIRST LANDLORD] (incorporated and registered in [England and Wales] [the United Kingdom] [COUNTRY] under company registration number [COMPANY NUMBER]), the registered office of which is at [ADDRESS] (the “**First Landlord**”);

2. [SECOND LANDLORD] (incorporated and registered in [England and Wales] [the United Kingdom] [COUNTRY] under company registration number [COMPANY NUMBER]), the registered office of which is at [ADDRESS] (the “**Second Landlord**”);

3. [TENANT] (incorporated and registered in [England and Wales] [the United Kingdom] [COUNTRY] under company registration number [COMPANY NUMBER]), the registered office of which is at [ADDRESS] (the “**Tenant**”); [and]

4. [[GUARANTOR] (incorporated and registered in [England and Wales] [the United Kingdom] [COUNTRY] under company registration number [COMPANY NUMBER]), the registered office of which is at [ADDRESS] (the “**Guarantor**”)].[[1]](#footnote-1)

**BACKGROUND**

(A) This Licence relates to the First Premises and the Second Premises and is supplemental to the First Lease and the Second Lease.

(B) The First Landlord [remains/is now] the landlord under the First Lease and the Tenant [remains/is now] the tenant under the First Lease.

(C) The Second Landlord [remains/is now] the landlord under the Second Lease and the Tenant [remains/is now] the tenant under the Second Lease.

(D) The First Landlord and the Second Landlord have agreed to permit the Tenant to carry out alterations to the First Premises and the Second Premises on the terms of this Licence.[[2]](#footnote-2)

**IT IS AGREED AS FOLLOWS**

1. Definitions

This Licence uses the following definitions:

**“CDM Regulations”**

the Construction (Design and Management) Regulations 2015;

**“Consents”**

all necessary permissions, licences and approvals for the Works under the Planning Acts, the building and fire regulations, and any other statute, bye law or regulation of any competent authority and under any covenants or provisions affecting the Premises and as otherwise required from owners, tenants or occupiers of any adjoining or neighbouring property;

**“Dealing”**

1. the assignment of the First Lease[ or the underletting of the whole of the First Premises] to a person who does not simultaneously accept the assignment of the Second Lease [or the grant of an underlease of the whole of the Second Premises]; or
2. the assignment of the Second Lease[ or the underletting of the whole of the Second Premises] to a person who does not simultaneously accept the assignment of the First Lease[ or the grant of an underlease of the whole of the First Premises];

**“Dutyholder Regulations”**

Part 2A of the Building Regulations 2010;

**“EPC”**

an energy performance certificate and recommendation report as defined in the Energy Performance of Buildings (England and Wales) Regulations 2012;

**“Event of Default”**

all or any of the following:

1. disclaimer of the First Lease or the Second Lease by the Crown or by a liquidator or trustee in bankruptcy of the Tenant;
2. the forfeiture or surrender of the First Lease or the Second Lease;
3. the Tenant being struck off the register of companies or otherwise ceasing to exist;

**“First Lease”**

a lease dated [DATE] between (1) [the First Landlord] and (2) [the Tenant] [and (3) [the Guarantor]] and any document supplemental to it;

**“First Premises”**

the property let by the First Lease known as [ADDRESS];

**“Insured Risks”**

the Insured Risks defined in the Leases;

**“Leases”**

the First Lease and the Second Lease or, where appropriate, either of them;

**“Planning Acts”**

every act of Parliament and any delegated law made under them for the time being in force relating to the use, development, design, control and occupation of land and buildings;

**“Plans”**

the plans, drawings, specifications or other documents setting out details of the Works attached to this Licence;

**“Premises”**

the First Premises and the Second Premises or, where appropriate, either of them;

**“Prohibited Materials”**

any products or materials that:

1. do not conform to relevant standards or codes of practice; or
2. are generally known within the construction industry at the time of specification to be deleterious to health and safety or the durability of buildings or structures in the particular circumstances in which they are specified for use;

**“Reinstatement Event”**

subject to clause **11.3**, all or any of the following:

1. an Event of Default;
2. the end of the Term of the First Lease, however it occurs;
3. the end of the Term of the Second Lease, however it occurs; or
4. the Tenant entering into or proposing to enter into a Dealing;

**“Second Lease”**

a lease dated [DATE] between (1) [the Second Landlord] and (2) [the Tenant] [and (3) [the Guarantor]] and any document supplemental to it;

**“Second Premises”**

the property let by the Second Lease known as [ADDRESS];

**“Tenant’s Obligations”**

the tenant’s obligations in the Leases;

**“Term of the First Lease”**

the term of the First Lease [including where applicable any continuation of that period under the Landlord and Tenant Act 1954[[3]](#footnote-3)];

**“Term of the Second Lease”**

the term of the Second Lease [including where applicable any continuation of that period under the Landlord and Tenant Act 1954[[4]](#footnote-4)]; and

**“Works”**

the works to the Premises to be carried out by the Tenant briefly described in **Schedule 1**.

1. Interpretation
	1. All headings in this Licence are for ease of reference only and will not affect its construction or interpretation.
	2. In this Licence, “includes”, “including” and similar words are used without limitation or qualification to the subject matter of the relevant provision.
	3. In this Licence:
		1. “notice” means any notice, notification or request given or made under it; and
		2. a notice must be given or made in writing.
	4. References in this Licence to:
		1. the parties include references to their respective successors in title;
		2. an Act are to that Act as amended from time to time and to any Act that replaces it;
		3. the singular include the plural and vice versa, and one gender includes any other;
		4. a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
		5. clauses and Schedules are to the clauses of and Schedules to this Licence and references to paragraphs are to the paragraphs of the Schedule in which the references are made;
		6. the First Landlord or the Second Landlord having a right of approval or consent mean a prior written approval or consent, which will not be unreasonably withheld or delayed except where this Licence specifies that the First Landlord or the Second Landlord have absolute discretion;
		7. any sums being payable on demand or when demanded mean being payable when demanded in writing; and
		8. the provision of plans, drawings, specifications or other documents means their provision in hard copy or electronically in PDF format or in any other easily readable format as may be appropriate in the context of the purpose for which they are provided and the nature of the information that they contain, but not in a format that is proprietary to a particular computer system or program that cannot be imported into or easily read by another computer system or program.[[5]](#footnote-5)
	5. Obligations in this Licence:
		1. owed by or to more than one person are owed by or to them jointly and severally;
		2. to do something include an obligation not to waive any obligation of another person to do it; and
		3. not to do something include an obligation not to permit or allow another person to do it.
	6. Where the Tenant is obliged to pay any costs that the First Landlord or the Second Landlord incur (or any proportion of them) under this Licence, those costs must be reasonable and proper and reasonably and properly incurred.
	7. If any provision or part of any provision of this Licence is held to be illegal, invalid or unenforceable, that provision or part will apply with such modification as may be necessary to make it legal, valid and enforceable. If modification is not possible, that provision or part will be deemed to be deleted. The legality, validity or enforceability of the remainder of this Licence will not be affected.
2. Licence for alterations
	1. The First Landlord and the Second Landlord permit the Tenant to carry out the Works on the terms of this Licence.
3. Obligations before beginning the Works
	1. Before starting the Works the Tenant must:
		1. obtain and provide the First Landlord with copies of any Consents that are required before they are begun and, where required by the terms of the First Lease, obtain the First Landlord’s approval to them;
		2. obtain and provide the Second Landlord with copies of any Consents that are required before they are begun and, where required by the terms of the Second Lease, obtain the Second Landlord’s approval to them;
		3. fulfil any conditions in the Consents required to be fulfilled before they are begun;
		4. assume liability for and pay any community infrastructure levy payable in respect of the Works pursuant to section 206 Planning Act 2008;
		5. notify the First Landlord and the Second Landlord of the date on which the Tenant intends to start the Works;
		6. provide the First Landlord with any information relating to the Works as may be required by the First Landlord’s insurers and pay any additional insurance premiums payable under the First Lease due to the carrying out of the Works; and
		7. provide the Second Landlord with any information relating to the Works as may be required by the Second Landlord’s insurers and pay any additional insurance premiums payable under the Second Lease due to the carrying out of the Works.
	2. If any variations to the Plans are required in order to obtain any of the Consents, the Tenant must obtain the approval of the First Landlord and the Second Landlord to those variations.
	3. The Tenant must ensure that it or its building contractor has put in place public liability and employer’s liability insurance of at least £[5] million in respect of each claim and provide the First Landlord and the Second Landlord with a summary of the main terms of the insurance policies and evidence that the premiums have been paid before starting the Works.
4. Obligations when carrying out the Works
	1. If it starts the Works, the Tenant must carry out and complete them:
		1. as soon as reasonably practicable, and in any event within [six] months after the date of this Licence;
		2. in accordance with the Plans;
		3. in a good and workmanlike manner and with good quality materials;
		4. [in accordance with the reasonable principles, standards and guidelines set out in any relevant guide or handbook published by the First Landlord at the date of this Licence for tenant’s works carried out at the First Premises;]
		5. [in accordance with the reasonable principles, standards and guidelines set out in any relevant guide or handbook published by the Second Landlord at the date of this Licence for tenant’s works carried out at the Second Premises;]
		6. without using Prohibited Materials;
		7. [[during][outside] the hours of [TIME] to [TIME];[[6]](#footnote-6)]
		8. in compliance with the Consents and all Acts of Parliament (and any delegated legislation made under them) and with the requirements of the insurers of the Premises and (where applicable) of any competent authority or utility provider;
		9. without affecting the structural integrity of the Premises or any land or buildings of which they form a part; and
		10. with as little interference as reasonably practicable to the owners, tenants or occupiers of any adjoining or neighbouring property.
	2. The Tenant must make good immediately any physical damage caused by the carrying out of the Works.
	3. The Tenant must permit the First Landlord and the Second Landlord to inspect the progress of the Works at all reasonable times subject to:
		1. the First Landlord complying with any conditions relating to entry onto the First Premises contained in the First Lease; and
		2. the Second Landlord complying with any conditions relating to entry onto the Second Premises contained in the Second Lease.
	4. All plant, equipment and materials used in connection with the Works must be stored securely.
5. Obligations on completion of the works
	1. As soon as reasonably practicable following completion of the Works the Tenant must:
		1. notify the First Landlord and the Second Landlord of their completion;
		2. obtain any Consents that are required on their completion;
		3. remove all debris and equipment used in carrying out the Works;
		4. notify the First Landlord and the Second Landlord of the cost of the Works and the proportion of the those costs attributable to the First Premises and the Second Premises;
		5. permit the First Landlord and the Second Landlord to inspect the completed Works at a reasonable time subject to:
			1. the First Landlord complying with any conditions relating to entry onto the First Premises contained in the First Lease; and
			2. the Second Landlord complying with any conditions relating to entry onto the Second Premises contained in the Second Lease;
		6. [give the First Landlord and to the Second Landlord executed deeds of warranty from [any person involved in the design and construction of the Works] in the form of the attached deeds of warranty;[[7]](#footnote-7)]
		7. if reasonably required, give the First Landlord and the Second Landlord information in sufficient detail for an accurate assessment to be made of the effect of the Works on:
			1. the consumption of energy and water, the generation and management of waste, greenhouse gas emissions and any other adverse environmental impacts arising out of the Works or the materials used in them;
			2. the energy performance rating (as defined in Regulation 11 of the Energy Performance of Buildings (England and Wales) Regulations 2012) shown on any existing EPC relating to the First Premises or the Second Premises; and
		8. give the First Landlord and the Second Landlord as-built plans, drawings and specifications showing the Works and ensure that:
			1. the First Landlord is able to use and reproduce them for any lawful purpose in relation to the First Premises; and
			2. the Second Landlord is able to use and reproduce them for any lawful purpose in relation to the Second Premises.
	2. The Tenant must pay to the First Landlord as rent under the First Lease any increased insurance premiums payable resulting from the carrying out and retention of the Works on the First Premises.
	3. The Tenant must pay to the Second Landlord as rent under the Second Lease any increased insurance premiums payable resulting from the carrying out and retention of the Works on the Second Premises.
6. Regulations
	1. If the CDM Regulations apply to the Works, the Tenant must:
		1. comply with them and ensure that any person involved in the management, design and construction of the Works complies with their respective obligations under the CDM Regulations;
		2. if either the First Landlord or the Second Landlord would be treated as a client for the purposes of the CDM Regulations, agree to be treated as the only client in respect of the Works; and
		3. on completion of the Works provide the First Landlord and the Second Landlord with a copy of any health and safety file relating to the Works and deliver the original file to the [First][Second] Landlord at the end of the Term of the [First][Second] Lease.
	2. If the Dutyholder Regulations apply to the Works:
		1. the Tenant must comply with them and ensure that any person involved in the management, design and construction of the Works complies with their respective obligations under the Dutyholder Regulations; and
		2. if the First Landlord or the Second Landlord would be treated as a client for the purposes of the Dutyholder Regulations, the First Landlord, the Second Landlord and the Tenant agree that the Tenant will be treated as the client in respect of the Works for the purposes of the Building Regulations 2010.
7. Energy Performance Certificates
	1. If the Works invalidate or materially adversely affect an existing EPC for the First Premises and do not require the commissioning of an EPC for the combined Premises, the Tenant must (at the First Landlords’ option):
		1. obtain an EPC for the First Premises from an assessor approved by the First Landlord and give the First Landlord written details of the unique reference number for the EPC; or
		2. pay the First Landlord’s costs of obtaining an EPC for the First Premises.
	2. If the Works invalidate or materially adversely affect an existing EPC for the Second Premises and do not require the commissioning of an EPC for the combined Premises, the Tenant must (at the Second Landlords’ option):
		1. obtain an EPC for the Second Premises from an assessor approved by the Second Landlord and give the Second Landlord written details of the unique reference number for the EPC; or
		2. pay the Second Landlord’s costs of obtaining an EPC for the Second Premises.
	3. If the Works require the commissioning of an EPC for the combined Premises:
		1. the Tenant must (at the First Landlord or the Second Landlord’s option):
			1. obtain an EPC from an assessor approved by the First Landlord and the Second Landlord and give them written details of the unique reference number for that EPC; or
			2. pay the First Landlord’s and the Second Landlord’s costs of obtaining an EPC.
		2. if either the First Landlord or the Second Landlord commission an EPC for the combined Premises they will:
			1. cooperate to ensure that only one EPC is commissioned at the joint cost of the First Landlord and the Second Landlord; and
			2. they will give each other written details of the unique reference number for EPC.
8. Additional obligations
	1. If required by the First Landlord, the Second Landlord or their respective insurers, the Tenant must ensure that any fire alarm and sprinkler systems in the First Premises and the Second Premises are connected to and compatible with each other and connected to and compatible with any fire alarm and sprinkler systems maintained by the First Landlord and the Second Landlord.
	2. The Tenant must that ensure that the Works do not adversely affect the use, maintenance or operation of any plant or any conduits serving the First Premises or the Second Premises.
	3. In addition to any restrictions on or conditions to the assignment of the First Lease[ or the underletting of the whole of the First Premises], the First Landlord will be entitled to require as a condition to granting consent to Dealing involving the First Lease that the Tenant complies with clause **11** before completion of the Dealing.
	4. The First Landlord must notify the Second Landlord of any application made by the Tenant for consent to a Dealing with the First Lease and will, if required by the Second Landlord, require the Tenant to comply with clause **11** before completion of the Dealing as a condition of granting consent to the Dealing.
	5. In addition to any restrictions on or conditions to the assignment of the Second Lease[ or the underletting of the whole of the Second Premises], the Second Landlord will be entitled to require as a condition to granting consent to Dealing involving the Second Lease that the Tenant complies with clause **11** before completion of the Dealing.
	6. The Second Landlord must notify the First Landlord of any application made by the Tenant for consent to a Dealing with the Second Lease and will, if required by the First Landlord, require the Tenant to comply with clause **11** before completion of the Dealing as a condition of granting consent to the Dealing.
9. Rent review

**Option 1 – Independent rent reviews under the First Lease and the Second Lease**

* 1. Any effect on rent of the Works and the obligation to reinstate them will be disregarded on any rent review under the First Lease or the Second Lease.
	2. On any rent review under the First Lease, the occupation of the Second Premises by the Tenant will be disregarded.
	3. On any rent review under the Second Lease, the occupation of the First Premises by the Tenant will be disregarded.

**Option 2 – Rent is reviewed to the higher of the rents for the individual units and the rent for the combined unit**

* 1. This clause **10** uses the following definitions:

**“Adjoining Premises”**

the Premises not let by the Relevant Lease;

**“Relevant Landlord”**

the landlord of the Relevant Lease;

**“Relevant Lease”**

the Lease under which the rent is being reviewed; and

**“Relevant Premises”**

the Premises let by the Relevant Lease.

* 1. On each rent review under a Relevant Lease, the reviewed rent will be the higher of the rent agreed under clause **10.6** and the rent agreed under clause **10.7** as apportioned under clause **10.8**.
	2. Rent will be reviewed on the terms of the Relevant Lease. Any effect on rent of the Works and the obligation to reinstate them will be disregarded on that rent review. For the purposes of the rent review under the Relevant Lease, the occupation of the Adjoining Premises by the Tenant will be disregarded.
	3. Rent will be reviewed on the terms of the Relevant Lease to give the aggregate rent that would be payable for both the Relevant Premises and the Adjoining Premises combined with the following assumptions:
		1. the Relevant Premises and the Adjoining Premises are let as a whole by one lease on the same terms as the Relevant Lease with any variations to those terms necessary to make them applicable to the Relevant Premises and the Adjoining Premises; and
		2. the Works have been carried out pursuant to an obligation to the Relevant Landlord under the Relevant Lease.
	4. Following the agreement of the aggregate rent under clause **10.7**, it will be apportioned by the Relevant Landlord for the Relevant Premises in the same proportion that [net internal] area of the Relevant Premises bears to the aggregate of the [net internal] areas of the Relevant Premises and the Adjoining Premises. The apportioned amount will be the revised rent under the Relevant Lease.
1. Reinstatement
	1. Following a Reinstatement Event, the Tenant must remove the Works and reinstate the First Premises and the Second Premises to the same plans and design as before the carrying out of the Works.
	2. All works of reinstatement must be carried out on the same terms of this Licence as if references to “the Works” were references to the works of reinstatement.
	3. A Reinstatement Event will not occur if:
		1. the First Lease is renewed, whether by agreement or by order of the court, following the end of the Term of the First Lease and the renewed lease contains a covenant by the Tenant to comply with the reinstatement provisions in this Licence with references to the end of the Term of the First Lease being read as references to the end of the term of the renewed lease; or
		2. the Second Lease is renewed, whether by agreement or by order of the court, following the end of the Term of the Second Lease and the renewed lease contains a covenant by the Tenant to comply with the reinstatement provisions in this Licence with references to the end of the Term of the Second Lease being read as references to the end of the term of the renewed lease.
2. Costs
	1. The Tenant agrees with the First Landlord and the Second Landlord that it will pay within [ten] working days of demand all costs and expenses, and any value added tax on them that cannot otherwise be recovered, incurred by the First Landlord [and][,] the Second Landlord [and any superior landlord and mortgagee] in connection with:
		1. the preparation, negotiation and completion of this Licence;
		2. the approval of the Plans, any variations to the Plans and the approval of the Consents or any other approvals or permissions given under this Licence;
		3. the monitoring and inspection of the Works; and
		4. the service of any notice, exercising of any rights and carrying out of any works under clause **13**.
3. Remedying breaches
	1. If the First Landlord or the Second Landlord require the Tenant to remedy any breach of the Tenant’s obligations under this Licence then the Tenant must comply with those requirements immediately in the case of an emergency or, in all other cases, begin to comply with those requirements within one month after being notified of them and diligently complete any works required.
	2. If the Tenant does not comply with clause **13.1**, the First Landlord or the Second Landlord may enter the Premises and carry out any works required themselves. The Tenant must repay, as a debt on demand, all the costs they incur in so doing. The First Landlord’s rights under the First Lease and the Second Landlord’s rights under the Second Lease will be unaffected.
4. Landlords’ rights of entry
	1. The First Landlord and the Second Landlord agree with each other that if the Works have not been reinstated in accordance with clause **11** following a Reinstatement Event or if either the First Landlord or the Second Landlord exercise their rights under clause **13**:
		1. the First Landlord will have the right to enter and remain upon the Second Premises with or without workmen, plant and materials in accordance with clause **14.2**; and
		2. the Second Landlord will have the right to enter and remain upon the First Premises with or without workmen, plant and materials in accordance with clause **14.2**.
	2. The rights of entry in clause **14.1** may be exercised only in so far as reasonably necessary for reinstating the Works and the person exercising the rights of entry and reinstating the Works must give reasonable prior notice to the other before doing so.
	3. The Tenant consents to the First Landlord and the Second Landlord exercising the rights under this clause **14**.
	4. The provisions of this clause **14** do not release or otherwise affect the liability of the Tenant to reinstate the Works in accordance with the terms of this Licence.
5. Exclusion of warranties
	1. Neither the First Landlord nor the Second Landlord give any express or implied warranty (and the Tenant acknowledges that the Tenant must satisfy itself):
		1. as to the suitability, safety, adequacy or quality of the design or method of construction of the Works;
		2. that the Works may lawfully be carried out;
		3. that the structure or fabric of the Premises is able to accommodate the Works; and
		4. that any of the services supplying the Premises will either have sufficient capacity for or otherwise not be adversely affected by the Works.
6. Agreements
	1. Nothing in this Licence will:
		1. be deemed to authorise any action other than expressly authorised in clause **3**;
		2. release or reduce any liability to the First Landlord of the Tenant or any guarantor or other party to the First Lease;
		3. release or reduce any liability to the Second Landlord of the Tenant or any guarantor or other party to the Second Lease; or
		4. waive or be deemed to waive any breach of the Tenant’s Obligations that may have occurred before the date of this Licence.
	2. The conditions for re-entry contained in the First Lease will be exercisable on any breach of any provision in this Licence in the same way as if it were a provision contained in the First Lease.
	3. The conditions for re-entry contained in the Second Lease will be exercisable on any breach of any provision in this Licence in the same way as if it were a provision contained in the Second Lease.
	4. All sums payable by the Tenant under this Licence will be recoverable as rent in arrear in accordance with the First Lease and the Second Lease.
	5. The Tenant’s Obligations will extend to the Works and:
		1. will apply to the First Premises as altered by the Works as they now apply to the First Premises as let by the First Lease; and
		2. will apply to the Second Premises as altered by the Works as they now apply to the Second Premises as let by the Second Lease.
	6. The Tenant acknowledges that:
		1. it has not served any notice under the Landlord and Tenant Act 1927 that would make the Works improvements for the purposes of that Act;
		2. neither this Licence nor any correspondence relating to the Works constitutes a notice for the purposes of that Act;
		3. the Works are being carried out by the Tenant to suit its own requirements; and
		4. as a result, the Tenant is not entitled to compensation in respect of the Works whether under the Landlord and Tenant Act 1927 or otherwise.
	7. Nothing in this Licence creates any rights benefiting any person under the Contracts (Rights of Third Parties) Act 1999.
7. [Guarantor’s obligations
	1. The Guarantor agrees with the First Landlord that:
		1. the guarantee given by it to the [First Landlord][NAME] in clause [NUMBER] of the [First Lease][Licence to Assign the First Lease dated [DATE] made between [PARTIES]] in relation to the First Lease is not released or varied by this Licence; and
		2. that guarantee extends to and will be exercisable by the First Landlord on any breach by the Tenant of the terms of this Licence as well as on the breach of any of the Tenant’s Obligations.]
	2. The Guarantor agrees with the Second Landlord that:
		1. the guarantee given by it to the [Second Landlord][NAME] in clause [NUMBER] of the [Second Lease][Licence to Assign the Second Lease dated [DATE] made between [PARTIES]] in relation to the Second Lease is not released or varied by this Licence; and
		2. that guarantee extends to and will be exercisable by the Second Landlord on any breach by the Tenant of the terms of this Licence as well as on the breach of any of the Tenant’s Obligations.]
8. Notices
	1. Any notices to be served under this Licence will be validly served if served in accordance with [section 196 Law of Property Act 1925][the notice provisions in the First Lease and the Second Lease].
9. Jurisdiction
	1. This Licence and any non-contractual obligations arising out of or in connection with it will be governed by the law of England and Wales.
	2. Subject to clause **19.3**, the courts of England and Wales have exclusive jurisdiction to decide any dispute arising out of or in connection with this Licence, including in relation to any non-contractual obligations.
	3. Any party may seek to enforce an order of the courts of England and Wales arising out of or in connection with this Licence, including in relation to any non-contractual obligations, in any court of competent jurisdiction.
10. Legal effect
	1. This Licence takes effect and binds the parties with effect from the date set out at the beginning of this Licence.
11.

The Works

*Set out details of the alterations to be carried out by the Tenant.*

Executed as a deed by the First Landlord acting by )

**[**a director and its secretary**]** or by **[**two directors**]**: )

 Signature of Director

 Signature of Director/Secretary

Executed as a deed by the Second Landlord acting by )

**[**a director and its secretary**]** or by **[**two directors**]**: )

 Signature of Director

 Signature of Director/Secretary

Executed as a deed by the Tenant acting by )

**[**a director and its secretary**]** or by **[**two directors**]**: )

 Signature of Director

 Signature of Director/Secretary

**[**Executed as a deed by the Guarantor acting by )

[a director and its secretary**]** or by **[**two directors**]**: )

 Signature of Director

 Signature of Director/Secretary

1. It is assumed that the same guarantor is guarantor to both leases. If there are different guarantors of the First Lease and the Second Lease, you will need to have two guarantor parties as the “First Guarantor” and the “Second Guarantor”. [↑](#footnote-ref-1)
2. Where the First Landlord has covenanted with other tenants of the property to enforce the Tenant’s covenants in the First Lease or the Second Landlord has covenants with the other tenants of the property to enforce the Tenant’s Covenants in the Second Lease, remember to consider whether granting the Tenant permission to make alterations that are prohibited under the First Lease or the Second Lease would put the First Landlord or the Second Landlord in breach of their covenants given to the other tenants – see *Duval v 11-13 Randolph Crescent Limited* [2020] UKSC 18. [↑](#footnote-ref-2)
3. Delete the wording in square brackets if the First Lease is contracted out of the Landlord and Tenant Act 1954. [↑](#footnote-ref-3)
4. Delete the wording in square brackets if the Second Lease is contracted out of the Landlord and Tenant Act 1954. [↑](#footnote-ref-4)
5. Where plans and specifications are provided to the Landlord, you should ensure that the Landlord has the right to use those plans and specifications – see **clause 6.1.8**. [↑](#footnote-ref-5)
6. Consider whether any restrictions need to be imposed by the First Landlord or the Second Landlord on when the Works can be carried out. It may be appropriate to impose restrictions where the First Lease or the Second Lease is a lease of part and the First Landlord or the Second Landlord is concerned that there is no disruption to other users of the First Landlord’s or Second Landlord’s property. [↑](#footnote-ref-6)
7. This clause is required only where the Works involve substantial structural elements. [↑](#footnote-ref-7)