

## **Model Commercial Lease – Changes included in version 1.1**

### **Introduction**

This note explains the changes made to the Model Commercial Lease (MCL) suite of documents on 24 June 2015. With one exception (bringing tenant's fixtures within the definition of "Premises"), the changes are mainly of a drafting nature.

The revised versions of the documents have been designated version 1.1.

A red-line version that shows the amendments that have been made to the shopping centre lease is available on the MCL website. You can find it on the Guidance page of the MCL website, in a new section headed "Changes made on 24 June 2015".

### **Feedback from users**

The MCL Working Group received a considerable number of comments by way of feedback on the initial versions of the MCL documents, and would like to thank all those who have assisted us in that way.

Some of the comments have come from solicitors and their clients as a result of using the MCL documents in transactions.

Other changes reflect points – mainly minor drafting issues – that have been identified by a number of firms that are preparing to replace their precedent leases with the MCL leases.

Feedback on the MCL documents will always be welcome. Ideally, please send comments in writing using the form on the Feedback/contact page on the MCL website.

This summary highlights the changes that we have made and, where relevant, the reasons for making them. It will assist those who wish to make corresponding changes to documents that they have created based on the MCL. For completeness, we have also listed those MCL documents to which no changes have been made.

## **CHANGES TO THE LEASES**

### **Shopping centre lease – MCL-RETAIL-07**

The following list of changes refers to the lease of a unit in a shopping centre for retail use. Corresponding changes have been made to the other leases in the MCL suite of documents. Where additional changes have been made to the other leases beyond the changes referred to below, these changes are separately identified against the title of the relevant lease.

- As the lease includes several references to the Landlord and Tenant (Covenants) Act 1995, we have included a separate definition of the Act. We use this definition in the definitions of "AGA" and "Lease" and in the footnotes to the Lease.

- We have amended the definition of "Business Day". As banks are moving towards opening on bank holidays, we thought it best not to refer to days on which banks are usually open for business!
- The definition of "Centre" no longer excludes tenant's fixtures. See the changes to the definition of "Premises" for a detailed explanation of this change.
- The definition of "Company" no longer includes the words "and company and legal person" as the latter phrase is not used in the lease.
- We have deleted the definition of "Entry Safeguards" as the landlord is under a general obligation to comply with the safeguards – see clause 5.5.
- The definition of "External Works" has been simplified. It now refers to those works that the tenant may undertake outside the premises to install plant, machinery and telecoms equipment and to connect to service media.
- The definition of "Insured Risks" now refers to some additional risks that are standard in the majority of insurance policies.
- The definition of "Permitted Apparatus" was largely unnecessary as other defined terms covered the same ground. We have therefore removed it. Corresponding changes and simplifications have been made to the definition of "Permitted Works" and to clauses 4.7, 4.14.1 and 4.14.4.
- We have put the definition of "Plant" and "Plant Area" in square brackets as they will not be appropriate on every letting.
- We have made several changes to the definition of "Premises":
  - somewhat embarrassingly, the original definition did not include the address of the premises! We have corrected this;
  - tenant's fixtures are now included rather than excluded from the definition of the premises. This reflects the common law position that anything attached to the premises becomes part of the premises. The repairing obligations no longer, therefore, need to deal separately with tenant's fixtures. We have included a right for the tenant to install and remove tenant's fixtures without consent. The landlord is not obliged to insure tenant's fixtures. Overall, the effect of that change is neutral and does not change the parties' responsibilities in respect of tenant's fixtures; and
  - the definition no longer refers to "Permitted Alterations" being part of the premises as this would have incorporated "Tenant's Business Alterations" and "External Works" within the premises, which was not

what was intended. Alterations to the premises themselves are within the definition.

- The definitions of "Rent Review Date", "Service Charge" and "Tenant's Business Alterations" each have minor changes. Those made to the definition of "Rent Review Date" ensure that amendments are not required to reflect whether there is only the one or two or more rent review dates.
- There is a new definition of "Wireless Policy" for those landlords who want to ensure that tenants' wireless access systems interfere with the landlord's own systems and with each others' systems.
- We have added a new clause 2.3 providing that headings are not to be used to interpret the terms of the lease.
- The obligation to act reasonably and properly in what is now clause 2.9 applies to the tenant as well as to the landlord.
- The right in clause 2.14 for the landlord of a head lease to exercise the landlord's rights has been extended to include those authorised by the landlord of a head lease.
- Clause 3.7 (the obligation to pay rent by electronic transfer), no longer requires the use of the BACS system but instead simply requires electronic transfer between UK bank accounts.
- Clause 4.2.2 now uses the definition "End Date" instead of "end of the Term".
- Clause 4.4 now deals more specifically with the timing of the payment of the VAT due on sums payable by the tenant under the lease (and corrects a minor typo in clause 4.4.2).
- Clause 4.6 has an additional reference to enforcement agents who may be used in preference to bailiffs. Enforcement agents are used when enforcing a judgment of the county court. Bailiffs may still be used in enforcing a judgment of the High Court.
- We have included various tidying-up amendments to the tenant's indemnity given in clause 4.7.
- We have made a number of amendments to the tenant's repairing obligations in clause 4.9:
  - the principal amendment is that the obligation to repair by reference to a schedule of condition is now an option to sub-clause (a) rather than an obligation that replaces the whole of clause 4.9.1;

- Tenant's Business Alterations are now within the tenant's obligation to repair the premises;
- the obligations to keep plant and equipment in good and substantial working order and to replace them when beyond economic repair have been extended to cover conducting media and external works; and
- There are some minor changes to the obligation to replace broken glass.
- In clause 4.10, the right of the landlord to enter to carry out works has been restricted to breaches of the lease relating to the state and condition of the premises. The *Jervis v Harris* provisions still apply in clause 4.10.3.
- There are a number of amendments to the alterations provisions in clause 4.11:
  - there is a new right for the tenant to install and remove tenant's fixtures without landlord's consent
  - we have amended clause 4.11.3 to make it clear that the installation of "External Works" always requires landlord's consent; and
  - there is a minor tidying-up amendment in clause 4.11.3(d) relating to the installation of electronic communications apparatus.
  - The new clause 4.11.6 was previously included in the definition of "External Works". We have moved it into a separate clause so that there can be no argument that the landlord is under an implied obligation to consent to additional works outside the scope of the current alterations provisions.
- Clause 4.12 now relates solely to the relocation of "External Works" as the repairing obligations in relation to those works are now in clause 4.9. The provisions have been simplified. Clause 4.12.4 makes it clear when relocation costs must be included in the service charge.
- The minor change to clause 4.14.1(b) covers the removal of signage installed by any undertenant.
- We have removed the provision in clause 4.14.4 requiring the tenant to comply with any requirements of the landlord's insurers at the end of the term.
- The wording at the end of clause 4.14.4(b) (the exception to the requirement to return the premises with vacant possession at the end of the term if there is an undertenant with statutory protection) has been put in square brackets as the tenant may not have the right to underlet or, if it does have the right, may only be able to create underleases contracted out of the 1954 Act.

- The changes to the use provisions in clause 4.15 are:
  - an amendment to clause 4.15.4(a) to anticipate a common tenant's amendment where car-parking rights are included in the lease;
  - new provisions in clause 4.15.4(d) to cover over-vigorous cleaning of drains by tenants that can damage or corrode the drainage pipes;
  - an amendment to clause 4.14.4(e) following the deletion of the definition "Permitted Apparatus";
  - a new optional clause 4.15.5 requiring the tenant to comply with any wireless policy published by the landlord;
  - a small amendment to clause 4.15.8 that acknowledges that key holders for the premises may change over time; and
  - in clause 4.15.9, we now refer to "vehicles" instead of "motor vehicles". A corresponding change is included in paragraph 8 of Part 1 of Schedule 1.
- The amendments to clause 4.16 (Dealings with the Premises) deals with the following:
  - the heading has been changed from "Alienation" to "Dealings with the Premises", as "Alienation" is a term with which clients may not be familiar;
  - the wording of clause 4.16.4(c) now matches the wording of clause 4.16.4(b) allowing the landlord the right to specify the terms of the guarantee and any rent deposit and for them to be put in place before the assignment takes place; and
  - the provisions originally in clause 4.16.8 have been moved to the underletting schedule.
- There is a new heading for clause 4.17 to match the one we have made to clause 4.16.
- Our amendment to clause 4.18 reflects the reality that even with a contracted-out lease, the tenant may remain in occupation and negotiate a new lease of the premises.
- There is a minor change to the heading in clause 4.19.
- The change in the heading to clause 4.23 reflects the fact that the landlord manages the whole of the centre, not just the common parts.

- In clause 4.23.7, the word "reasonable" is already implied by the interpretation clause so we have removed it from this clause. The other amendment deals with regulations that have an impact on the tenant's rights as well as its obligations under the lease.
- The amendment to clause 4.24 makes it clear that the tenant does not have to comply with title matters on the superior title that come into being after the date of the lease.
- We have simplified the wording in clause 4.27 relating to the information to be provided by a tenant on an application made under the terms of the lease.
- As the interpretation provisions now require both the landlord and the tenant to act reasonably, we have amended clause 5.5.2 to delete the word "reasonable".
- A small change to the entry safeguards in clause 5.5.9 reflects the fact that it may not always be reasonably practicable to exercise rights of entry outside normal business hours.
- We have removed the obligation on the landlord to notify the tenant of changes to the extent of the centre as such changes will be rare and the obligation is likely to be overlooked. However, the essential tenant protections in relation to the amount of service charge payable and exercise of rights have been preserved.
- In clause 5.10.2, the words "for their proper purpose" are not required given the words "for their intended use" later in the clause.
- There is a minor change to clause 6.1.2(a) to simplify the wording.
- In clause 6.1.4, as a "company" is a legal person, we do not need to say "person or company".
- We have amended the wording in clause 6.2 (no acquisition of easements or rights) to make it clear that existing rights are not transferred to the tenant and that no new rights arise on the creation of the letting (other than as expressly granted). The change to clause 6.2.4 makes it clear that the tenant cannot prevent the variation or release of rights on the superior title.
- There are minor amendments in clause 6.3 (works to adjoining premises).
- In clause 6.4 (notices), we have replaced the slightly dated expression "deemed" with "treated as".
- There are minor changes to clause 6.6 (contracting-out) and clause 6.8 (superior landlord's consent).

- The guarantee obligations in clause 7.2 now include a right for the landlord to require the guarantor to take a new lease if the tenant is struck off the register of companies. We have also simplified the opening wording in this clause and in clause 7.3.
- In clause 7.4.4, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended clause 7.5 of the guarantee, which prevents the guarantor from claiming in competition with the landlord in the solvency of the tenant, so that it applies at all times, not just until the tenant's indebtedness to the landlord has been discharged in full. This is to ensure that the guarantor never has a right of recourse against the tenant if a payment is made under the guarantee. The concern is that if the tenant enters into a creditors' voluntary arrangement (CVA), then to the extent that a guarantor has recourse to the tenant (by way of an express or implied indemnity), the terms of the CVA can vary the terms of the third party guarantee to ensure that the tenant's liability under the express or implied indemnity is reduced to the same extent as the tenant's obligations to the landlord (one of its creditors).
- The break clause (clause 8) has minor changes. The removal of the word "written" reflects the fact that notices have to be in writing in any event.
- We have made the following changes to the tenant's rights in Part 1 of Schedule 1:
  - paragraph 1.1 includes a right to connect to as well as to use existing Conducting Media;
  - we have deleted the illogical reference to "non-toxic" rubbish in paragraph 3 so that the provision now applies to all rubbish; and
  - the paragraph headings have, in some cases, been amended to reflect more closely the subject matter of the paragraphs.
- We have made the following changes to the landlord's rights in Part 2 of Schedule 1:
  - one right is excepted rather than reserved so we have included a reference to this;
  - the interpretation provisions already say that rights reserved to the landlord can be exercised by those authorised by the landlord so we have removed the reference to this in the opening wording;
  - the paragraph headings have, in some cases, been amended to reflect more closely the subject matter of the paragraphs;

- for insurance purposes, the rebuilding costs may be estimated so paragraph 3.1.2 now refers to this;
  - paragraph 3.4 has been deleted as the landlord is obliged to comply with the entry safeguards under clause 5.5;
  - the changes in paragraph 4.1 are purely textual; and
  - the additional wording in paragraph 5 ensures that the interpretation provisions do not require the landlord to act reasonably when exercising this right.
- The changes we have made to Schedule 2 (rent review) are minor textual amendments following the change in the definition of "Rent Review Date" (explained above).
  - We have made the following changes to Schedule 3 (service charge):
    - the right to demand extra sums in paragraph 3.2 applies only where the landlord is under an obligation to incur the relevant service charge expenditure;
    - minor textual amendments have been made to paragraph 4.1.2 and paragraph 5;
    - in Part 3, we recognise that some service charge accounts will be examined rather than audited and have therefore referred to this in paragraph 20; and
    - in Part 4, we have narrowed the exception to the rule that the landlord cannot charge upgrade or improvement costs as the current exception was considered to be too wide.
  - A number of changes are made to the insurance provisions in Schedule 4:
    - engineering insurance is recoverable only to the extent that it is not included as part of the service charge;
    - we now refer to insurance against "loss of" rent and service charge instead of insuring the rent and service charge;
    - we have settled on using "insurance company" rather than "insurance office". Previously the lease contained references to both;
    - the reinstatement provisions in clause 2.4 now omit the words so far as practicable" as partial reinstatement is unlikely to suit any circumstances;



- the closing sentence has been deleted as this is now covered by paragraph 2.6;
- a new paragraph 2.5 excludes tenant's fixtures from the landlord's insuring obligations;
- in paragraphs 2.7 and 4.1 the obligations and rights are now triggered only if the whole or substantially the whole of the premises are damaged or destroyed, which is the usual position in insurance clauses;
- the addition to 3.4.2 has been included because the rent suspension may end on a day that is not a rent payment date and there is otherwise no obligation on the tenant to pay rent for the period up to the next rent payment date; and
- another reference to "deemed" has been removed from paragraph 4.2.
- In Schedule 5 (title matters):
  - we have removed the references to "deemed" and replaced them with "treated as"; and
  - the title guarantee does not extend to tenant's fixtures – see the new paragraph 4.2.
- We have made the following changes in Schedule 6 (works):
  - references to the CDM Regulations are now to the new (2015) version. Consequential amendments to paragraph 2.8 reflect the amendments made to the CDM regulations;
  - we have deleted the reference to the "Institution of Electrical Engineers" in paragraph 2.2.5. It seemed illogical to single it out as one body among many whose codes may govern works to the premises;
  - we have made minor textual changes in paragraph 2.3;
  - we have simplified the wording for the landlord's right to enter in paragraph 2.4, as it is already subject to the landlord's obligations in clause 5.5 (entry safeguards); and
  - the tenant's insurance obligations now apply only up to practical completion of the tenant's works.
- The sustainability provisions in Schedule 7 now refer to travel plans in paragraph 2.1.3. Given the informal arrangements that often apply in relation to

sustainability forums, we have changed “use reasonable endeavours” to the more informal “try” in paragraphs 2.3 and 2.6 relating to attendance at meetings.

- Whilst a large number of changes appear in Schedule 8 (underletting), the majority of these reflect the introduction of more defined terms to simplify the clause. However, the additional changes also appear:
  - the terms of sub-paragraph (c) in the definition of “Approved Underlease” now allow for reverse premiums on an underletting;
  - the clause limiting the total number of occupiers has been moved to this schedule from the alienation clause.

#### **Office lease of whole – MCL-OFFICE-01**

- The definition of “Outgoings” now includes a reference to the payment of costs and expenses incurred in relation to “Common Facilities”.
- In clause 4.11 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.5.2
- In clause 4.12.3, the term “End Date” replaces “End of the Term”.
- A new footnote to Part 1 of Schedule 1 reminds users to consider whether any rights need to be granted to the tenant on a letting of whole.

#### **Office lease of part of a building – MCL-OFFICE-02**

- In clause 4.13 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.6.2
- In clause 4.14.4, the term “End Date” replaces “End of the Term”.

#### **Office lease of whole of an estate building– MCL-OFFICE-03**

- In clause 4.13 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.6.2
- In clause 4.14.4, the term “End Date” replaces “End of the Term”.

#### **Office lease of part of an estate building– MCL-OFFICE-04**

- In clause 4.13 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.6.2

- In clause 4.14.4, the term “End Date” replaces “End of the Term”.

#### **Logistics lease of whole – MCL-LOGISTIC-01**

- The definition of “Outgoings” now includes a reference to the payment of costs and expenses incurred in relation to “Common Facilities”.
- In clause 4.11 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.5.2
- In clause 4.12.3, the term “End Date” replaces “End of the Term”.
- A new footnote to Part 1 of Schedule 1 reminds users to consider whether any rights need to be granted to the tenant on a letting of whole.
- A minor typographical error in paragraph 3.1.1 of Schedule 8 (Environmental Protection) has been corrected.
- A rogue missing “not” has been recaptured and reinserted in paragraph 8.1 of Schedule 8 (Environmental Protection).

#### **Logistics lease of a unit on an estate – MCL-LOGISTIC-02**

- In clause 4.13 (signs and advertisements), we now refer to “business” signs rather than “corporate” signs as the tenant may not be a corporate occupier. There is a corresponding amendment in clause 5.5.2
- In clause 4.14.3, the term “End Date” replaces “End of the Term”.
- A minor typographical error in paragraph 3.1.1 of Schedule 9 (Environmental Protection) has been corrected.
- A rogue missing “not” has been recaptured and reinserted in paragraph 8.1 of Schedule 9 (Environmental Protection).

#### **Retail lease of a whole building – MCL-RETAIL-01**

- The definition of “Outgoings” now includes a reference to the payment of costs and expenses incurred in relation to “Common Facilities”.
- A new footnote to Part 1 of Schedule 1 reminds users to consider whether any rights need to be granted to the tenant on a letting of whole.

#### **Retail lease of part of a building – MCL-RETAIL-02**

- There are no additional changes.

### **Retail lease of an estate unit – MCL-RETAIL-03**

- There are no additional changes.

### **Retail lease of an estate unit (turnover rent) – MCL-RETAIL-04**

- The insurance schedule (schedule 4) contains a new clause to make it clear that the rent suspension provisions apply to the base rent and turnover rent.
- We have included optional provisions in the turnover rent schedule to enable the value of items collected from the store via click and collect systems to be included in the turnover.
- Revenue from electronic as well as mechanical vending machines is included in the turnover rent schedule.
- References in the turnover rent schedule to the "Centre" have been replaced with references to the "Estate".

### **Retail lease of part of an estate unit – MCL-RETAIL-05**

- There are no additional changes.

### **Retail lease of part of an estate unit (turnover rent) – MCL-RETAIL-06**

- The insurance schedule (schedule 4) contains a new clause to make it clear that the rent suspension provisions apply to the base rent and turnover rent.
- We have included optional provisions in the turnover rent schedule to enable the value of items collected from the store via click and collect systems to be included in the turnover.
- Revenue from electronic as well as mechanical vending machines is included in the turnover rent schedule.
- References in the turnover rent schedule to the "Centre" have been replaced with references to the "Estate".

### **Retail lease of unit in a shopping centre (turnover rent) – MCL-RETAIL-08**

- The insurance schedule (schedule 4) contains a new clause to make it clear that the rent suspension provisions apply to the base rent and turnover rent.
- We have included optional provisions to enable the value of items collected from the store via click and collect systems to be included in the turnover.
- Revenue from electronic as well as mechanical vending machines is included in the turnover.

### **Food and drink lease of whole – MCL-FOODDRINK-01**

- The definition of “Outgoings” now includes a reference to the payment of costs and expenses incurred in relation to “Common Facilities”.
- A new footnote to Part 1 of Schedule 1 reminds users to consider whether any rights need to be granted to the tenant on a letting of whole.
- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation to be consistent with the definition used in the lease.

### **Food and drink lease of part of a building – MCL-FOODDRINK-02**

- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation to be consistent with the definition used in the lease.

### **Food and drink lease of an estate unit – MCL-FOODDRINK-03**

- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation to be consistent with the definition used in the lease.

### **Food and drink lease of part of an estate unit – MCL-FOODDRINK-04**

- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation to be consistent with the definition used in the lease.

### **Food and drink lease of a shopping centre unit – MCL-FOODDRINK-05**

- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation to be consistent with the definition used in the lease.

## **CHANGES TO LEASE CLAUSES**

### **Turnover rent clause – MCL-LEASECLAUSE-01**

- We have included an additional clause to be inserted into the insurance schedule to make it clear that the rent suspension provisions following damage by an insured or uninsured risk apply to the base rent and turnover rent.
- Where the turnover is generated from a food and drink use, we have included references to tips collected via a tronc to supplement the existing provisions relating to tips.
- We have included optional provisions to enable the value of items collected from the store via click and collect systems to be included in the turnover.
- Revenue from electronic as well as mechanical vending machines is included in the turnover.
- We have replaced the slightly dated expression “deemed” with “treated as”.
- As the turnover rent provisions may be used with units on a retail estate, we have changes references to the “Centre” to refer to the “[Centre][Estate]”.

### **Offer-back clause – MCL-LEASECLAUSE-02**

- We have removed the requirement for the draft deed of surrender to be annexed to the lease as, in practice, the deed will not be prepared unless and until the offer-back provisions are exercised. A new paragraph 6.4 says that the deed will be in the form required by the landlord. Where this clause is incorporated within one of the leases, the interpretation provisions will require the landlord to act reasonably.
- A reference to “working days” has been changed to “Business Days” to be consistent with the definitions used in the lease.
- In paragraph 6.1, the surrender is made subject to “any” rather than “the” Tenancy Documents as there may not be any.
- We have replaced the slightly dated expression “deemed” with “treated as”.

### **Index-linked rent review clause – MCL-LEASECLAUSE-03**

- We have updated the guidance notes to remind users not to include the worked examples in Part 4 of the precedent in the first draft of the lease.
- The following changes apply in respect of the option for a compounded index-linked rent review in Part 3 of the document.

- we have amended the definition of “Notional Rent” so that it is consistent with the “Notional Rent Review Date”;
- paragraph 2.1 now refers to the “Notional” rent review dates; and
- paragraph 2.3 has been simplified. As the “Notional Rent Reviews” are upward only and the actual rent is reviewed to the Notional Rent, the actual rent can only ever rise, not fall.

#### **A3/A4/A5 user clauses– MCL-LEASECLAUSE-04**

- A footnote to the definition of “Fast Food Restaurant” reminds the user to check that the definition meets the mischief the landlord wants to prohibit.
- We have made minor tidying amendments to the definition of “Seating Area Regulations”.
- The definition of “Trade Licences” now refers to “Act” rather than legislation, to be consistent with the definition used in the lease.
- We have replaced the slightly dated expression “deems” with “considers”.

#### **Service charge cap clause – MCL-LEASECLAUSE-05**

- No changes have been made to the clause.

#### **Option to renew clause – MCL-LEASECLAUSE-06**

- Paragraph 1.3 now refers to the “Option Notice Period” instead of the “Option Period”.

### **CHANGES TO ASSET MANAGEMENT DOCUMENTS**

#### **Rent deposit deed**

##### **Rent deposit deed – MCL-DEPOSIT-01**

- The only changes are to correct minor punctuation issues in the defined terms.

#### **Licences to assign**

##### **Licence to assign (new tenancy) – MCL-LICASSIGN-01**

- We have amended paragraph 1.3 in the guarantee schedule to allow the landlord to require the guarantor to take a new lease if the assignee is struck off the register of companies.

- In paragraph 1.5.4 in the guarantee schedule, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended paragraph 1.7 in the guarantee schedule to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licence to assign (old tenancy) – MCL-LICASSIGN-02**

- We have amended clause 8.3 in the guarantee to allow the landlord to require the guarantor to take a new lease if the assignee is struck off the register of companies.
- In clause 8.5.4 in the guarantee, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provisions.
- We have amended clause 8.7 in the guarantee to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licence to assign and change use (new tenancy) – MCL-LICASSIGN-03**

- Clauses 5.3 and 7.1 now contain an additional provision to make it clear that the authorised guarantee agreement given by the tenant and the parallel guarantee given by the tenant’s guarantor are not released by reason of any variations to the lease arising from the change of use permitted by the licence. It may be necessary on some occasions for the tenant’s guarantor to be added as an additional party for this purpose.
- We have amended paragraph 1.3 in the guarantee schedule to allow the landlord to require the guarantor to take a new lease if the assignee is struck off the register of companies.
- In paragraph 1.5.4 in the guarantee schedule, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended paragraph 1.7 in the guarantee schedule to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licence to assign and change use (old tenancy) – MCL-LICASSIGN-04**

- The current tenant’s guarantor has been added as a party to the licence and a new clause 9 included so that the current tenant’s guarantor can confirm that its guarantee of the tenant’s obligations is not released by reason of any variations to the lease arising from the change of use permitted by the licence. It may be



necessary on some occasions for the tenant's guarantor to be added as an additional party for this purpose.

- We have amended clause 8.3 in the guarantee to allow the landlord to require the guarantor to take a new lease if the assignee is struck off the register of companies.
- In clause 8.5.4 in the guarantee, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended clause 8.7 in the guarantee to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licence to assign underlease (new tenancy) – MCL-LICASSIGN-05**

- We have amended paragraph 1.3 in the guarantee schedule to allow the tenant to require the guarantor to take a new lease if the assignee of the underlease is struck off the register of companies.
- In paragraph 1.5.4 in the guarantee schedule, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended paragraph 1.7 in the guarantee schedule to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licence to assign underlease (old tenancy) – MCL-LICASSIGN-06**

- We have amended clause 8.3 in the guarantee to allow the tenant to require the guarantor to take a new lease if the assignee of the underlease is struck off the register of companies.
- In clause 8.5.4 in the guarantee, it was rightly pointed out that a change of name of the tenant can have no impact on the liability of the guarantor so we have removed this provision.
- We have amended clause 8.7 in the guarantee to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

#### **Licences to underlet**

##### **Licence to underlet – MCL-LICUNDER-01**

- We have amended clause 8.5 of the guarantee to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

### **Licence to sub-underlet – MCL-LICUNDER-02**

- We have amended clause 8.5 of the guarantee to mirror the change made to the guarantee clause in the lease (see clause 7.5 in the Leases section).

### **Licences to change use**

#### **Licence to change use – MCL-LICUSE-01**

- We have not made any changes to this document.

#### **Licence to change use in an underlease – MCL-LICUSE-02**

- We have not made any changes to this document.

### **Licences for alterations**

#### **Licence for alterations in a lease – MCL-LICALT-01**

- Definition of “CDM Regulations” updated to refer to the 2015 regulations.
- In clause 5.5, the tenant’s obligations now apply only up to practical completion of the tenant’s works.
- We have made substantial changes to clause 7 to reflect the new CDM regulations.

#### **Licence for alterations in an underlease – MCL-LICALT-02**

- Definition of “CDM Regulations” updated to refer to the 2015 regulations.
- In clause 5.5, the tenant’s obligations now apply only up to practical completion of the tenant’s works.
- We have made substantial changes to clause 7 to reflect the new CDM regulations.

#### **Licence for alterations consent letter – MCL-LICALT-03**

- We have not made any changes to this document.