

Stuart Rushton Lettings & Management Ltd
Terms of Business



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General

Summary Schedule

Agent

Stuart Rushton Lettings & Management Ltd (a trading name of SRLCo Ltd)

Company Registration Number

6811173

The Property Ombudsman Membership Number (www.tpos.co.uk)

D03438

Registered Office Address

35 King Street, Knutsford, Cheshire WA16 6DW

Landlord(s)

Landlord Address/Registered Office Address

Premises Address

Commission

Let Only Service

75% of One Month's Rent to be deducted from the first monthly rental payment plus VAT. (90% including VAT)

*Full Management Service ***

Rental value up to £1500 pcm

65% of One Month's Rent to be deducted from the first monthly rental payment plus VAT. (78% including VAT) **plus** 10% of the monthly rental value (12% including VAT) to be deducted from to be deducted from every month's rental payment

Rental value above £1500 pcm

50% of One Month's Rent to be deducted from the first monthly rental payment plus VAT. (60% including VAT) **plus** 8% of the monthly rental value (9.6% including VAT) to be deducted from to be deducted from every month's rental payment

****Schedule 1 of this Agreement sets out our fee structure in detail but for the avoidance of doubt we do NOT charge for the following where we are instructed on a Full Management basis,**

- **Inventory & Condition schedule**
- **Check out inspection & report**
- **Deposit registration**
- **Tenancy renewal**
- **Quarterly management inspection and report**

Definitions

1. In this Agreement the following Definitions and Interpretations apply:
 - a. Use of the singular includes the plural and use of the masculine includes the feminine and vice versa.
 - b. "Agent" "we" or "us" means the Agent trading from the Registered Office Address as described in the Summary Schedule.
 - c. "Jointly and severally liable" means that each person will be responsible for complying with the obligations of and paying all charges and costs under this Agreement, both individually and together.
 - d. "Landlord" "you" or "your" means the Landlord as described in the Summary Schedule above and any other person owning a reversionary interest in the Premises, whether freehold or leasehold, entitling them to possession of it upon the Termination or expiry of the Tenancy and anyone who later owns the Premises.
 - e. "Tenant" means anyone entitled to possession of the Premises under a Tenancy Agreement.
 - f. "Occupier" means a Tenant or any other person or organisation entitled to occupy the Premises under a Tenancy, Licence or any other form of Agreement or contract.
 - g. "Occupancy Agreement" means any Agreement between you and any Occupier which permits them to occupy the Premises whether or not it constitutes a Tenancy Agreement.
 - h. "Premises" means any part or parts of the building boundaries fences garden and outbuildings belonging to the Landlord at the Premises Address set out in the Summary Schedule above. When the Premises are part of a larger building the Premises include the use of common access ways and facilities.
 - i. "Inventory" or "Inventory and Schedule of Condition" means the document drawn up prior to the commencement of the Tenancy by the Landlord or the Agent, which includes the fixtures and fittings in the Premises.
 - j. "Term" or "Tenancy" means the fixed Term of the Tenancy Agreement and any extension or continuation of the Tenancy whether fixed Term or periodic arising after the expiry of the original Term.
 - k. "Superior Landlord" means the person company or organisation to whom ownership of the Premises reverts at the end of the lease.
 - l. "Deposit" means the money held by the Agent in a stakeholder capacity during the Tenancy in case the Tenant fails to comply with the Terms of the Tenancy Agreement.
 - m. "Relevant Person" means a person who paid the Deposit or any part of it on behalf of the Tenant
 - n. "Scheme" means an authorised tenancy deposit protection scheme set up in accordance with the Housing Act 2004, determined by an ADR process, or ordered by the court.
 - o. "Stakeholder" means that deductions can only be made by the Agent from the Deposit at the end of the Tenancy with the written consent of both parties.
 - p. "Statutory Time Limit" means the time limit set out in the Housing Act 2004 (as amended) in which the initial requirements of the Scheme must be met, and prescribed information must be provided to the Tenant and any Relevant Person.
 - q. "Tenancy Agreement" means the contract drawn up between the Landlord and the Tenant specifying the obligations of the two parties.
 - r. "TDS" means The Dispute Service whose details are shown in the Tenancy Agreement.
 - s. "ICE" means the Independent Case Examiner of The Dispute Service Limited.
 - t. "Agreement" means this Terms of Business signed between the Agent and the Landlord
 - u. "Member" means the Agent who is a member of the Tenancy Deposit Scheme.
 - v. "Regulations" means the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
 - w. "Prescribed Information" means the information that is required to be provided to the Tenant and any Relevant Person under the rules of a government authorised tenancy deposit scheme and as prescribed in the Housing (Tenancy Deposits) (Prescribed Information) Order 2007
 - x. "Calendar Day" or "day" means any day of the year, including Saturdays, Sundays and bank holidays.
 - y. "Working Day" means a day that is not a Saturday or Sunday, nor any day that is a bank holiday under the Banking and Financial Dealings Act 1971 or any customary or public holiday in England and Wales.

Jurisdiction and Service

2. This Agreement shall be governed by and construed in accordance with the law of England and Wales and the Courts of England and Wales shall have exclusive jurisdiction in respect of any dispute under it.
3. Any legal proceedings to be served in respect of this Agreement which are to be served outside the jurisdiction shall be deemed to be sufficiently served if they are sent by ordinary first-class or airmail post or its equivalent and it is agreed that all legal proceedings may be served in English without the necessity for translation into any other language.
4. The provisions for the service of notices are that if either party deliver by hand any Notices or documents which are necessary under the Agreement, or any Act of Parliament to the other party by 5pm or the last known address of the other party; the documents or Notices will be deemed delivered on the next working day which excludes Saturdays Sundays and Bank Holidays; or if any documents or Notices are sent by registered, or recorded delivery post the documents will be deemed delivered upon proof of delivery being obtained; or if the documents or Notices are sent by ordinary first class post addressed to the other party or the last known address of the other party; the documents or Notices will be deemed delivered two working days later, which excludes Saturdays, Sundays and Bank Holidays. The address for service for the Landlord will be the contact address specified in this Agreement and the address for service for us will be ; Stuart Rushton Lettings & Management Ltd, 35 King Street, Knutsford, Cheshire WA16 6DW.

Service Information

5. We trade as a Limited company registered at Companies House (Reg. No 6811173).
6. Our VAT number is 948891660.
7. We are members of the dispute and compensation scheme operated by The Property Ombudsman (www.tpos.co.uk) and our registration number is: D03438.
8. We are members of the Association of Residential Lettings Agents and subscribe to the code of conduct of that organisation.

Acts of Third Parties

9. We will not be responsible for any loss or damage that you suffer through the act, default or negligence of any third party which may arise other than through our negligence, omission or failure.
10. The Contract (Rights of Third Parties) Act 1999 does not apply to this Agreement.

Termination

11. Either party has the right to terminate this Agreement in writing:
 - a. upon the Occupier's vacation of the Premises;
 - b. if we break any important term or condition of this Agreement during the Term of an Occupancy Agreement where thirty days written notice of the breach has been given by the other party, the breach has not been remedied and monetary compensation is wholly inadequate;
 - c. if you are in major breach of any of the terms contained in this Agreement or if you do or do not do something which makes it impossible, impracticable or illegal for us to continue to perform our obligations under this Agreement.
 - d. either party carries out or suggests that the other should carry out any form of unlawful discrimination.
12. If we terminate this Agreement for any reason you will remain liable for our Commission at the Let only Percentage as described in Schedule 1 and for any Fees or Costs we might incur on your behalf in transferring our obligations to you or to someone you might nominate.

Assignment

13. We reserve the right to assign our rights and or obligations under this Agreement upon giving you two months' written notice.

Data Protection Act 1998

14. In order to comply with the Data Protection Act 1998 to prevent any unauthorised access to or use of personal data we have the responsibility to keep your information and that of any Tenant or Occupier confidential and will only use it if fees are not paid and we wish to refer the matter to a debt collector or solicitor; or if we are specifically required to do so by law; or to pass it to a government agency by law; when instructing solicitors; to change account details for utility suppliers and the council tax into or out of your name; or when a contractor's invoice has not been settled by you.

Interest on Clients' Monies and Commission

15. Any interest accrued on monies that we hold on your behalf will be retained by ourselves to cover bank and administration charges etc. Any commission earned by us while acting on your behalf will be retained to cover costs.

Money Laundering

16. In order to comply with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 we require you to provide us with one proof of identity and one proof of residence, which can be selected from the list below. You should either send us the original documents for copying and returning to you; or provide us with copies certified by a solicitor as genuine. We apologise but we will not be able to accept printouts of online bank statements or utility bills.

List A: Proof of Identity

- Full Passport
- National Identity Card
- Full Driving Licence
- Cheque (please mark this as "Void")

List B: Proof of Residence

- Council Tax bill
- Utility bill
- Mortgage statement
- Bank Statement
- Credit or Charge Card Statement.

If you are a public limited company we will require a certified copy of the Certificate of Incorporation. If the company is not quoted we require certified copies of any two of the following documents:

- Memorandum and Articles of Association
- Certificate of Incorporation
- A set of the latest accounts
- The most recent annual Companies House return.

In addition we need proof of identity and residence of one of the directors of the Company.

Variation

17. The Terms of Business may only be varied if agreed between the Landlord and the Agent and confirmed in writing by both parties.

18. Signatures

I/We confirm that there are no major repairs, construction or maintenance work; any planning or other fact or condition of which I/we are aware due to be carried out to the Premises adjoining property or the building of which the Premises forms part which may affect the letting of the Premises except as noted below.

I/We accept the above Terms and Conditions including Schedules 1 to 9 inclusive and I/we instruct Stuart Rushton & Company Lettings & Management Ltd to act on my/our behalf.

For use where the landlord is an individual or group of individuals

For the Agent

By

Signature

Position

Date

Landlord 1 Signature

Date

Landlord 2 Signature

Date

For use where the landlord is a company

For the Agent

By

Signature

Position

Date

For the Landlord Company

Ltd/plc

Company Reg. Number

By

Signature

Position

Date

Witnessed By

Occupation

Signature

Date

I/We hereby give notice that I/We have read the Notice of the Right to Cancel and I/We request you to begin to market the Property for let and all other services as set out in this Agreement

Ordered on: [insert date these terms were signed]

Name(s):

Address:

Signatures:

Date:

Do not sign above unless you wish us to begin marketing your Property immediately.

Schedule 1: Fees and Commissions

The Landlord should read the Terms of Business carefully and in particular this Section which clearly sets out the Commission, Fees and other charges including any renewal, extension or continuation of the Tenancy either as a fixed term or a periodic tenancy which will be payable by a Landlord whether or not we are instructed to act on your behalf. Ensure you are certain of the meaning of the charges you will incur.

Commission

1. You are responsible for paying our Commission **as stated in the Summary Schedule** when any person, company or other organisation enters into a binding contract for the occupation of the Premises where they do so as a result of:
 - a. a viewing conducted by us;
 - b. sight of any marketing or advertising material produced by us or by our instructions;
 - c. by way of an introduction from an existing occupier for which we have previously charged a commission.

By signing this Agreement the Landlord gives us the authority to deduct our Commission, fees, expenses and any other costs from any monies belonging to the Landlord or any deductions from the Deposit agreed by the Tenant for any property owned by the Landlord where we are or were acting on the Landlord's behalf.

VAT

2. Value Added Tax will be chargeable on all Commission at the prevailing rate (currently 20%). This rate may change from time to time and the total cost will change accordingly.

Management Service

3. If we are instructed to manage the Premises you will be charged Commission at the Full Management Commission percentages **as stated in the Summary Schedule**, subject to a minimum management fee of £600.00 per tenancy.

Commission Due

4. Our Commission payment will become due at the agreed start date of the Occupation Agreement and we will take payment from the monies paid by the Occupier of the Premises until our Commission and any other fees and disbursements have been paid. Our other fees and disbursements will be taken in full from payments made by the Occupier. Should the Occupier fail to make any agreed payments our Commission, Fees and Disbursements will still be payable by you and we will invoice you accordingly.

Refund of Commission

5. We will not make any refund of our Commission if the Tenancy terminates before the originally agreed date whether this occurs due to the use by you or by the Tenant of any contractual break clause in the Tenancy Agreement, an agreed surrender, repudiation, rescission, frustration or forfeiture of the lease, through any Court proceedings, or if your interest in the Premises is assigned to another party.

6. **Withdrawal from an Agreed Offer**

If you instruct us to proceed with a proposed Tenancy and subsequently withdraw your instructions you agree by signing this Agreement to meet some of the costs and the expenses incurred up to the sum of £600.00. This clause does not affect any statutory rights to cancel that may arise under the Cancellation Regulations. If you have a right to cancel under the Cancellation Regulations, this clause will apply if you withdraw your instructions at any time after the 14 day cancellation period, or at any time after we have received a written request for us to market the Property.

7. **Additional Services available at the Landlord's request where we are undertaking a Let Only Service. Where we are undertaking Full Management Service the costs below are included within our Commission.**

- a. Preparation of an Inventory and Schedule of Condition on behalf of the Landlord by an inventory clerk.

- i. For properties with a rental value up to £1500 pcm £250.00
- ii. For properties with a rental value £1500 pcm and above £350.00
- iii. For properties with a rental value £4000 pcm and above tba

- b. Service of Notices to terminate a Tenancy will be subject to an administration fee of £120.00.

- c. Where, at the request of the Landlord, the tenancy is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by the us, and a new tenancy agreement is required this will be subject to an administration fee of £180.00

8. Additional Services available at the Landlord's request, not included within our Commission under either the Let Only or Fully Managed Service.

- a. To arrange for a Gas Safe engineer to check the gas appliances and installations and provide a Gas Safety Record ("GSR") will be £150.00 including VAT for up to three appliances. Where a property has four or more appliances the cost will be an additional £15.00 per appliance.
- b. To arrange for an electrical inspection condition report the cost will be as per the engineers invoice.
- c. To arrange for Portable Appliance Testing (PAT) the cost will be £75.00 including VAT for up to 20 items per property.
- d. Visits during a void period using our caretaking service will be £50.00 including VAT for one visit each week during office hours.
- e. A supervisory fee of 7.5% of the total cost of any single project/work in excess of £1500.00 is charged for supervising the work.
- f. Preparation of documentation for County Court proceedings or DPS adjudication will be £150.00 including VAT plus our reasonable costs.
- g. To arrange for Rent Guarantee insurance in the event that the Rent is not paid in any month during the Tenancy. Cost available on request per Tenancy.
- h. To arrange for an Energy Performance Certificate (EPC) to be undertaken the cost will be £100.00 including VAT.

Schedule 2: Agent Obligations

1. When we are instructed on a **Let Only** basis:
 - a. We will visit the Premises to view them and provide you with an indication of the current market Rent achievable.
 - b. We will market your Premises to inform suitable applicants of the availability of your Premises by erecting a To-Let board at the Premises and by advertising on the Stuart Rushton & Company website, major property portals and local media. You must notify us in writing if you have previously agreed not to erect a To-Let Board with the Superior Landlord, freeholder or other interested party, or local bye-laws or conservation area restrictions prevent the erection of a Board.
 - c. As and when we have applicants interested in viewing your Premises, we will either accompany these people to your Premises with keys provided by you, or arrange a mutually convenient appointment for them and us to meet you at the Premises.
 - d. Negotiate any offers received between you and the applicant and confirm all the terms of the offer to you for acceptance.
 - e. When an applicant shows an interest in your Premises, we will:
 - i. Provide them with a sample Tenancy Agreement;
 - ii. Take up references upon each applicant whenever possible. Where not possible we will explain the reasons why and seek approval from the Landlord;
 - iii. Use a reference agency who has informed us that they obtain a credit reference report checking the financial standing of the applicant, including income and credit rating and contact the previous landlord (if appropriate). Once the applicants' references are complete we will forward copies for your approval.
 - iv. You will need to confirm that the references are acceptable. If we do not hear from you to the contrary within seven days we will assume acceptance and proceed with the letting, provided that we have received a signed copy of this Agreement and the necessary funds. When we proceed we will be doing so without any responsibility for the accuracy of those references or the information contained in them, unless it is due to our negligence or breach of contract. We will not be warranting the Tenant as suitable. We do not re reference tenants when tenancies are extended or renewed unless specifically requested by the Landlord.
 - f. Prepare a comprehensive Tenancy Agreement setting out the rights and obligations of both parties including any special terms that have been agreed. If you wish to use a Tenancy Agreement drafted by your own solicitor, please supply us with a draft within a reasonable time before the Tenancy is due to commence.
 - g. Notify the electricity, gas, water and the local authority when the Tenant occupies your Premises provided you have supplied us with the contact details of your utility suppliers including the account numbers, and ask them to send a credit agreement and supply contract to the Tenant. You will need to pay any outstanding utility charges up to and including the date upon which the Tenant occupies the Premises and for any void period between tenancies. We will need to provide the utility suppliers with your new address and the meter readings at the commencement of the Tenancy to ensure that there are no discrepancies with the changeover. Some suppliers will not take instructions from us in which case you must contact them direct to take the accounts out of your name.
 - h. Arrange the cleaning of the Premises if instructed in writing by you. To be charged as per the contractor's invoice.
 - i. Collect the first month's Rent and if necessary subsequent payments to pay our Commission, together with the Deposit which is usually equivalent to one month's Rent, and facilitate the signing of a standing order so that future Rent payments are made promptly direct to your bank account. We cannot be held responsible for the ongoing standing order mandate as this controlled by the payer.

- j. Hold the Deposit paid by the Tenant as Stakeholder against damage, breach of the Tenancy Agreement or any other outstanding charges owed by the Tenant. We will register the details of the Deposit with the Deposit Protection Service and serve the Prescribed Information. We will protect the deposit and serve the Prescribed Information within thirty days.

If the Landlord wishes to hold and register the deposit himself he must advise us at least seven days before the commencement of the tenancy which scheme he intends to use and must register it within thirty days of the tenancy starting or the Deposit being taken whichever is the earlier. It will remain your responsibility to ensure that the Deposit is protected and the Prescribed Information served on the Tenant and any Relevant Person from time to time throughout the Tenancy. Under no circumstance do we accept liability for your failure to register the Deposit and serve the Prescribed Information for each tenancy, including statutory periodic tenancies and renewals.

- k. Request a minimum of two (three where we are providing a Managed Service) sets of keys from the Landlord prior to the Tenancy commencing. If these are not made available seven days prior to the Tenancy commencement we will have additional keys cut and the cost will be deducted from the initial payment of Rent.
- l. Arrange for a Gas Safe engineer to check the gas appliances and installations and provide a Gas Safety Record (“GSR”) if we have not received a copy of a current GSR seven days before the Tenancy commences the cost will be deducted from the initial payment of Rent. If we do not manage the Premises it is the legal responsibility of the Landlord to arrange all future gas checks. We have no liability if you fail to do so.
- m. Serve Notice to end the Tenancy, if requested in writing, should you not wish to renew or extend the Tenancy as shown under Renewals below. If the Management Service is not used this will be subject to an administration fee as shown in Additional Services. You must provide us with at least ten weeks written warning that you want to end the Tenancy either at the end of the fixed Term or according to a break clause. We cannot be held liable for any delay in getting possession if you provide insufficient time for service of the Notice.
- n. An Inventory and Schedule of Condition is essential for the proper management of your Premises, whether they are let furnished or unfurnished, to reduce the risk of a dispute arising about the Deposit. Inventories should, where applicable, show that furnishings and electrical equipment comply with current legislation. If you do not have an Inventory and Schedule of Condition you will not be able to prove the condition of the Premises at the start of the Tenancy and may not be able to obtain compensation from the Tenant either through any Tenancy Deposit Protection Scheme or through the County Court. We can instruct an inventory clerk on your behalf subject to a fee for which you will be liable as shown in Additional Services. We are not liable for any error or omission of the inventory clerk. If you are preparing the Inventory yourself we must receive it from you at least three days prior to commencement of the Tenancy.
- o. Advise you that if a formal offer has been made by a prospective Tenant and you then inform us that you wish to withdraw from the proposed Tenancy that it may not be possible to withdraw the offer if it has been accepted. If you refuse to proceed the Tenant could take legal action against you for any losses suffered. If a prospective Tenant agrees to accommodate your request you should expect to meet reasonable costs and expenses incurred by him or her.
- p. Advise you that if you instruct us to proceed with a proposed Tenancy and subsequently withdraw your instructions you agree by signing this Agreement to meet some of the costs and the expenses incurred up to the sum of £500.00 including VAT.
- q. Inform you that you must notify us of any change in your residency.
- r. Warn that we will not arrange works prior to a letting (whether requested by you or the intended Tenant) unless sufficient funds are held to cover the cost and the Landlord has requested us to do the work in writing.
- s. Notify you that it is not part of our normal function to forward the Client’s mail. We will do our utmost to ensure that mail is held on your behalf where this has been collected by an Occupier from the Premises but no responsibility can be taken for mail sent to you at the Premises. We recommend that you arrange for it to be redirected by the Post Office.
- t. Advise that if you use the Let Only Service it will be your responsibility to arrange repairs and to provide the Tenant with copies of all instruction books, guarantees and maintenance

contracts. If you fail to do so you may incur additional costs and the Tenant may be entitled to compensation. We do not arrange repairs if we do not manage the Premises.

- u. Inform you that if the Tenant has an Assured Shorthold Tenancy and it continues to roll-on on a month to month basis (i.e. a periodic Tenancy) rather than agreeing a new fixed Term then the Rent can only be lawfully increased on an annual basis if we serve the Tenant with a valid Notice under Section 13(2) of the Housing Act 1988. This notice advises the Tenant that they have a right to challenge the increase by serving you with a counter notice and ultimately referring the increase to the Rent Assessment Committee. This could result in a hearing. If the Tenant makes a counter proposal you can either accept it or pursue the issue to a hearing at which point we would recommend that you engage a solicitor directly. You will be responsible for their charges. When a tenancy is renewed or a statutory periodic tenancy arises the Deposit must continue to be properly protected in the relevant Scheme.
- v. If you negotiate any renewal personally we will NOT continue to protect the Deposit or ensure compliance with the Scheme rules, unless you specifically ask us to do so. It will be your responsibility to ensure that the Deposit remains protected and the Prescribed Information served within 30 days of a new tenancy starting, whether you have negotiated a new fixed term or on the arising of a statutory periodic tenancy. You must pay us for any loss or inconvenience suffered or cost incurred by us if you fail to comply with your statutory obligations to protect the Deposit.
- w. Advise that if the Tenant leaves the Premises of their own accord prior to the expiration of the Tenancy it is your responsibility to take the appropriate action to recover any outstanding Rent from the former Tenant.

2. When we are instructed on a **Full Management** basis:

- a. In addition to the Letting Service detailed above we will use our best efforts to arrange for a standing order to be set up so that the Tenant can send future Rent payments direct to us. Payments received will be sent to you within two working days after receipt of cleared funds, less our agreed fees and expenses into your nominated bank or building society account.
- b. You should set up a facility with your bank to ensure payment of all regular out-goings to take account of alterations to the payment dates, void periods or failure by the Tenant to pay any sums due.
- c. We cannot be held responsible if the Tenant fails to pay any sum due under the Occupancy Agreement unless it is due to our negligence or breach of contract. We will however take action in your name to recover unpaid monies by serving the appropriate letter requesting payment to the Occupier. If this does not have the desired effect we will advise you to instruct specialist solicitors to take further action. You will be responsible for any legal charges and expenses incurred.
- d. We will deal with day-to-day management matters, including minor repairs up to a maximum figure for any one item which will be agreed with the Landlord at the time of taking the instruction and the signing of this Agreement. Except in the case of an emergency or to enable you to comply with statute, wherever practical, an estimate is obtained and submitted to you for approval for works of redecoration, renewal or repair likely to cost more than £200.00. An additional supervisory fee as specified in Schedule 1 is charged for supervising work in excess of £1500.00 per project. By signing this Agreement you agree that we can instruct contractors on your behalf and deduct the cost of repairs and maintenance from the Rent or the fund mentioned below.
- e. We will retain from the first payment made by the Occupier after all our Commission, fees, costs and expenses have been paid the sum of £250.00 which will be held to create a repair fund or 'float'. We will then retain enough money from each subsequent payment with such monies again being added to the repair fund to ensure it is maintained at the same level throughout the Tenancy.
- f. We will instruct tradesmen to carry out any maintenance, repairs or other work on your behalf. By signing this Agreement you give us authority to instruct contractors on your behalf and deduct the cost of their invoices up to a maximum of £200.00 except in an emergency which risks significant damage to your Premises or to the life of an individual where the amount is unlimited. You however remain liable for the payment of all invoices to tradesmen.

- g. We will use a particular contractor if requested by you provided we have copies of their professional qualification, public liability insurance and the person is readily available. If any damage is caused by the negligence or failure of tradesmen specified by the Landlord we, the Agent, will not be liable for any loss suffered.
- h. We will not be liable for any loss or damage suffered by you if we are unable to carry out repairs or maintenance because we do not hold any or sufficient funds unless the loss or damage is due to our negligence or breach of contract.
- i. We will try to visit the Premises approximately four times each year provided the Tenant grants access. We will endeavour to broker a mutually convenient time for visits but if the Tenant does not grant access it will be your responsibility to take legal advice and advise us of the appropriate action. These visits are of a limited nature in order to verify the general good order of the Premises and the proper conduct of the Tenancy by the Tenant. A visit will not constitute a complete check of every part of or every item in the Premises but enable us to note any lack of repair or maintenance which should be brought to your attention. A visit will only note repairs of which we are informed or which are clearly visible. We are not liable for any loss or damage due to hidden or latent defects.
- j. Supervision of the Premises is not part of our management function when it is unoccupied. If you wish us to manage your Premises during a void period we will gladly do so subject to the charges specified in Schedule 1 which are payable in advance together with your written instructions. We will visit the Premises once a week during office hours being Monday to Friday between 9am and 5pm. We will inform you of any lack of repair or maintenance but will not instruct a contractor unless we hold cleared funds and you confirm in writing we may deduct the cost of the contractor from those funds.
- k. We will try to arrange a mutually convenient time for contractors to meet the Tenant when attending the Premises to undertake work on your behalf. Where this is not possible we may be able to arrange to meet the contractor at the Premises.
- l. We will employ an Inventory Clerk to undertake a full inventory and condition schedule to be provided to the Tenant at check at the start of the Tenancy and a check out report to determine whether or not there is any damage, or compensation for breach of the Tenancy, or cleaning needed taking into account the check-in report of the Inventory and Schedule of Condition. A copy of the inventory and check-out report will be sent to both you and the Tenant for comment.
- m. We will endeavour to obtain a forwarding address to give to the water company to comply with the Flood and Water Management Act 2010 which makes payment of the final water account the liability of the Landlord if no forwarding address is provided. We cannot be held liable if the Tenant does not provide an address or gives an address that is not deemed acceptable by the water company.
- n. We will contact you towards the end of the initial fixed Term to find out if the Tenancy should be renewed and to agree any renewal instructions. We will then review the Rent and advise you if a Rent increase is possible or desirable depending upon current market conditions. You must confirm to us in writing if you wish the Tenancy to be renewed, continue as a periodic Tenancy or notice served. We do not serve notice on the Tenant unless you instruct us to do so in writing.
- o. We will write to the Tenant once written confirmation has been received from you requesting the Tenancy to be renewed or extended as a periodic Tenancy asking if they wish to renew the Tenancy and advising of any proposed Rent increase if a new fixed Term is agreed. We will then negotiate between the two parties if requested. We will prepare the extension document for both parties where requested including drafting any new or special clauses agreed between the parties varying the terms of the original Tenancy. The extension documents will be sent to both parties for signature.
- p. We will try to ensure both parties sign the documentation by the start date of the new period of the Tenancy. However if the Tenant fails to return the extension documents the Tenancy will continue as a periodic Tenancy until either party gives notice in writing. While we will make every effort to obtain the signed extension documents we have no liability if the Tenant fails to return them.

- q. Both Landlord and Agent may withdraw instructions to manage the Premises upon giving three months' written notice. However our fees for the Letting Service remain payable as specified in Schedule 1.

Schedule 3: Landlord's Undertakings

Consent for Letting

1. By signing these Terms and Conditions you warrant to us that you are the owner of the Premises, or otherwise lawfully entitled to enter into an Occupation Agreement. You may be asked to provide us with sufficient documentary evidence to satisfy us and the Occupier that you are entitled to do so. You will be liable to provide us with a full indemnity for any costs, losses, or other expenses we may bear due to you not having the right to enter into an Occupation Agreement.

Mortgage

2. If the Premises are subject to a mortgage, you will need your mortgagee's written consent to the proposed letting. By signing this Agreement you confirm that you have your mortgagee's consent to grant a Tenancy. The mortgagee may want to see a copy of the Tenancy Agreement, which can be supplied upon written request. The mortgagee may charge you a fee for giving their permission. If your mortgagee has any special conditions relating to the Tenancy or type of Tenant you must provide them to us prior to the start of the Tenancy to be included within the Tenancy Agreement. Conditions cannot be imposed upon a Tenant at a later date. You will be liable to provide us with a full indemnity for any costs, losses, or other expenses we may bear due to you not having the proper consent from your mortgagee to enter into an Occupation Agreement.

Sub-letting

3. If you are a leaseholder, you will normally require the consent from your Superior Landlord, freeholder or their managing agent before you can sub-let the Premises to an applicant. In giving consent the Superior Landlord or their managing agent may require you to provide references for your Tenant and for you and your Tenant to enter into an agreement to observe the covenants contained in your head lease. A fee may be charged for granting consent to sub-let, which is your liability, and for the licence granted prior to the start of the Tenancy and upon renewal. We will need a copy of any sections of the head lease that impose restrictions on the behaviour of the Occupier together with any schedules referred to therein so that we can attach a copy of this to the Occupancy Agreement. If the Occupier is not given a copy of the relevant sections of the head lease you cannot impose any obligations contained in it upon them. This could lead you to breach the terms of your lease. You will be liable to provide us with a full indemnity for any costs, losses, or other expenses we may bear due to you not having the proper consent from your Superior Landlord to enter into an Occupation Agreement.

Insurance

4. It is essential that the Premises and the contents included in the Inventory and Schedule of Condition are adequately insured and that your insurers are aware that the Premises are let. Failure to do so may invalidate your insurance. You must inform your insurers whenever the Premises remain vacant for a period greater than specified in your insurance policy. You should also check that your insurance policies include third party liability to protect you if the Tenant or a visitor to the Premises is injured. You must give us copies of any section of your insurance policies that impose restrictions on the behaviour of any Occupier of the Premises to attach to the Occupancy Agreement at its commencement, including any conditions for vacant premises. If these are not given to the Occupier then they have no obligation to comply, which could be breach of your insurance contract rendering any claim void. We cannot be responsible for the renewal of your insurance cover. We strongly recommend you arrange for an insurance policy that covers loss of Rent and contents, and legal expenses.

Taxation

5. You will be liable for tax on income arising from letting the Premises and you must inform Her Majesty's Revenue and Customs ("HMRC") that you are letting the Premises. There are a number of allowances that you can claim against this income. You should seek advice on these allowances from your accountant or from the HMRC website which can be accessed on www.hmrc.gov.uk. You must also keep all your invoices for six years for tax purposes. You should be aware that we forward a form to the HMRC annually detailing all landlords who's Premises we have let and the rental income they have received, regardless of the country of residence of that landlord.

The HMRC has special rules regarding the collection of tax on rental income if you are a landlord who is resident overseas for a period of more than six months in any tax year, or you subsequently move abroad. If you fall into this category it is your responsibility to obtain a tax approval number from HMRC. The relevant form and guidance notes can be downloaded from www.hmrc.gov.uk/cnr/nr_landlords.htm. Until that approval number is given to us by the HMRC we are legally obliged to deduct tax from your rental income at the prevailing rate, which is currently 20%. This money is forwarded to HMRC on a quarterly basis. For any period during which we deduct tax from your lettings income due to you not providing us with an Approval Number or you are not being accepted into the Non Resident Landlord Scheme we shall make an administration charge as shown in Schedule 1. If the Tenant pays you direct, you are non-resident in this country and he has not received

approval from HMRC to pay the Rent gross he must deduct tax and forward that to HMRC on your behalf. No person or organisation is exempt from this scheme.

Rent Arrears or Breach of Covenant

6. It is your responsibility to take all necessary steps to ensure that actions are taken to protect your interests, including instructing solicitors and commencing legal proceedings to preserve your rights and recover arrears of Rent and to defend all actions or other legal proceedings and arbitrations that may be brought against you in connection with the Premises. All costs and disbursements incurred including legal costs and disbursements will be payable by you.

Reimbursement of the Agent

7. You will keep us reimbursed and indemnified for and against any claim, damage, expense or liability whether criminal or civil suffered by us from and during the time that we are or were acting on your behalf unless it is due to our negligence or breach of contract. For the avoidance of any doubt we reserve the right to have work carried out on your behalf and to charge you for that work to ensure that you fulfil your contractual and statutory obligations as a landlord. If any Notice is served on the Agent under the Housing Health and Safety Rating Scheme of the Housing Act 2004 requiring the Agent to carry out any work, repairs or maintenance of the Premises the Landlord will reimburse the Agent promptly on demand for all costs expenses and fees incurred.

Water Rates

8. You should endeavour to obtain a forwarding address from the Tenant at the end of the Tenancy if we do not manage the Premises to give to the water company to comply with the Flood and Water Management Act 2010 which makes payment of the final water account the liability of the Landlord as from October 2011 if no forwarding address is provided. We cannot be held liable if we do not manage the Premises; the Tenant does not provide an address or gives an address that is not deemed acceptable by the water company.

Sub-Contractors

9. Any other party, including but not limited to, external inventory clerks, gas, electrical or water engineers, builders or surveyors, Domestic Energy Inspectors, or solicitors who we instruct will be instructed on your behalf. This means that you are the contacting party and that you have the primary liability for the payment of that sub-contractor's invoices, fees, charges or other expenses and that they, and not we, owe you a liability for the quality of their work.

Housing Act 2004

10. Due to this Act certain types of Premises may require a licence before they can be let. These properties are primarily Houses of Multiple Occupation ("HMOs") occupied by three or more people who are not related but, in certain areas, licences can be required for non-HMO property. It is your responsibility to determine whether you need a property licence and to obtain that licence. You agree to keep us fully indemnified against all losses, costs or damages we might incur, whether criminal or civil, due to your failure to obtain an adequate licence for the letting of your Premises. If we become aware that the Premises is let in a manner which requires a licence and you refuse to obtain one we reserve the right to terminate our instruction immediately and to inform any Occupiers of the Premises and the Local Housing Authority of the situation.

Also as part of the Housing Act 2004 private dwellings must comply with the Housing Health and Safety Rating System ("HHSRS") which is a means of measuring hazards and risk of injury at the Premises. This system applies to all properties but is most commonly applied to tenanted property. The responsibility for ensuring the Premises comply is entirely yours although we will of course give general best practice advice where possible. If we accept an instruction to let the Premises and subsequently an order is served to comply with the HHSRS or if we incur any costs for compliance due to an order being served upon us you agree to reimburse us within fourteen days of written demand or by way of deduction from monies paid to us by the Occupier or from any other property owned by you where we collect or hold sums on your behalf.

Indemnity

11. If you ask us to do anything which we consider to involve a higher risk to us or to you or which is outside our normal procedure we may ask you for a written agreement to indemnify us against any loss, damage or other costs which we might incur as a result of following your instructions. If you refuse to provide this to us then we reserve the right to refuse your instructions and to terminate this agreement.

Deposit Protection

12. If you are holding the Deposit, whether we received it from the Tenant or not, it will be your responsibility to ensure continued protection from time to time during the tenancy. When a tenancy is renewed, or a statutory periodic tenancy arises at the end of the initial fixed term, it will be your responsibility to re-serve the Prescribed Information on the Tenant and any Relevant Person unless you

specifically ask us in writing to do so. You agree that you will indemnify us for any losses that we suffer as a result of you failing to keep the Deposit properly protected and the Prescribed Information served.

Schedule 4: Deposit Handling (Agent to Hold through DPS)

We will normally hold the Deposit unless specifically requested by the Landlord in writing to transfer it to him and this is documented in the Tenancy Agreement. If we are protecting the Deposit to comply with current legislation under the Housing Act 2004 we will register the Deposit and transfer it to the Deposit Protection Service (“DPS”) within thirty days of the Tenancy commencing. If the Tenancy is outside the protection of the Housing Act 2004 we will pass it to the Landlord to hold in a separate client account if requested in writing. If the Landlord protects the Deposit under DPS in his name it is his responsibility to serve the Prescribed Information and the Terms and Conditions of the DPS on the Tenant and to register and log the Deposit with DPS within thirty days of the Tenancy commencing or the Deposit being taken whichever is the earlier and provide written proof to us of the protection.

If we are not managing the Premises we will not negotiate deductions between the Landlord and the Tenant but will inform DPS how the Deposit is to be released by completing the relevant documentation once both parties confirm in writing the deductions to be made.

Schedule 5: Deposit Handling (Landlord to Hold)

If the Landlord decide(s) to hold the Deposit you must specify to us seven days prior to the start of the Tenancy under which other Tenancy Deposit Protection Scheme the Deposit will be covered. We will transfer it to you within seven days of the Tenancy commencing. You must then register it with another Tenancy Deposit Protection Scheme within thirty of the Tenancy commencing or the deposit being received, whichever is earlier. If you fail to do so the Tenant can take legal action against you in the County Court. The Court will make an order stating that you must pay the Deposit back to the Tenant or lodge it with the custodial scheme which is known as the Deposit Protection Scheme. In addition a further order will be made requiring you to pay compensation to the Tenant of an amount between one and three times the Deposit the sum being up to the discretion of the judge. You will be unable to serve or enforce a Section 21 Notice on your Tenant until compliance with the above conditions and the Court will not grant you a possession order. We have no liability for any loss suffered if you fail to comply.

Schedule 6: Safety Legislation

The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

1. It is a criminal offence to let Premises with upholstered furniture or soft furnishings containing foams that cannot be proven to comply with the above Regulations. By signing this Agreement you give us authority to remove any item that does not have a fire label attached to it and charge for the removal and/or disposal of the item(s). The Regulations require that specified items must be match resistant, cigarette resistant and carry a permanent label.

Electrical Equipment (Safety) Regulations 1994

2. You are responsible for providing instruction books for all items of electrical equipment and for ensuring that all electrical appliances within the Premises comply with the above Regulations. You should also ensure that all electrical installations are safe and have them checked regularly. If we need to arrange for a safety check under these Regulations there will be an administration charge as shown in Schedule 1 in addition to the cost of the safety check itself.

Gas Safety (Installation and Use) Regulations 1998

3. It is a criminal offence to let Premises with gas appliances, installations and pipe-work that have not been checked by a Gas Safe Registered Engineer. You will need to provide us with a copy of a Gas Safety Certificate (GSC) carried out no more than twelve months previously. If this GSC is not sent to us when you return this Agreement you give us authority to arrange for a gas safety check. The GSC will need to be renewed at twelve monthly intervals. If we are managing the Premises we will arrange for a new GSC automatically at your expense if you do not provide us with a new one at least 5 working days before the existing one expires. If we arrange for a GSC there will be a charge as shown in Schedule 1. We need to give your Tenant documentary proof of your compliance with these Regulations at the commencement of the Tenancy and within twenty-eight days of the GSC being renewed. If you use your own contractor we will need proof of their Gas Safe registration. No Tenancy can commence until we are in receipt of a valid GSC. If we are not managing the Premises it is the legal responsibility of the Landlord to arrange for the gas safety check and for a copy of the Gas Safety Certificate being given to the Tenant annually. We have no liability if the Landlord fails to comply with the Regulations. Gas Safe now recommends that a carbon monoxide detector is installed in all properties.

Part "P" Building Regulations (Electrical Safety in Dwellings)

4. From January 1 2005 the above Regulations came into force requiring qualified personnel to carry out certain electrical work at premises. To ensure compliance with the Regulations we will only use a competent person to carry out any electrical work at the Premises. If the Landlord wishes to use his own contractor we will need written proof that he is currently registered with an approved self-certification scheme before issuing instructions. In the absence of such proof we will instruct our own contractor if managing the Premises.

Smoke Alarms and Carbon Monoxide Alarms

5. Under current legislation being the Building Regulations 1991 it is the law that all newly built premises from June 1992 must have mains fitted smoke alarms with battery back up. Other properties do not require smoke alarms by law. However if battery operated smoke alarms are fitted to the Premises the Landlord must ensure that the alarms are in working order at the start of a Tenancy. It is not the law that carbon monoxide alarms are fitted to premises. However we advise all landlords to consider the installation of alarms to protect the Occupier and help prevent any legal action being taken against a landlord. If you wish us to arrange the fitting of alarms at your expense you must advise us in writing.

Energy Performance Certificate ("EPC")

6. All properties going on the market for letting must have an EPC. A copy must be given to the Tenant with written details or prior to the first viewing. The Landlord must provide us with an EPC when first giving instructions. The Premises cannot be marketed without an EPC as the first page must be provided to the applicant with written instructions. A fixed penalty for every property marketed without an EPC may be imposed by the Trading Standards Officer. We can arrange an EPC subject to the charge shown in Schedule 1.

Legionnaires' disease

7. In order to comply with the Health and Safety Executive's Code of Practice landlords are strongly advised to carry out a risk assessment at their premises prior to letting especially if there are open water tanks, cooling systems or a swimming pool. We request that a copy of any written risk assessment is provided upon instruction. By signing these Terms of Business the Landlord acknowledges his responsibility for the safety of the tenant at the Premises and confirms he has considered all risks regarding Legionnaires Disease.

Schedule 7: Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (“the Cancellation Regulations”)

1. Notice of the Right to Cancel

If you sign this contract **away** from our offices, either following face to face negotiations **or** if all the negotiations have been by phone or email and you have never dealt face to face with our representative, the following applies:

- 1.1. You have the right to cancel this contract within 14 days without giving any reason.
- 1.2. The cancellation period will expire after 14 days from the day you sign this Agreement.
- 1.3. To exercise the right to cancel, you must inform us of your decision to cancel this contract by a clear statement sent to us by post or email. You may use the cancellation form below but it is not obligatory.
- 1.4. To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.
- 1.5. If you cancel this contract, we will reimburse to you any payments received. We will make the reimbursement without undue delay, and not later than 14 days after the day on which we are informed about your decision to cancel this contract.
- 1.6. Under the Cancellation Regulations we cannot begin providing you with the service under these terms unless you have requested that we begin the service in writing. You may do this by signing in the relevant place on the signatures page.

If you request in writing that we begin performance of the service and subsequently you exercise your right to cancel you shall pay us an amount which is in proportion to the work we have done until you have communicated to us your cancellation.

Cancellation Form

If you decide to cancel this contract during the Cancellation Period you must do so in writing by carrying out one of the actions below:

1. Complete and return the attached Cancellation Notice by delivering, or by sending it by first class post, or by electronic mail to:

Stuart Rushton & Company Lettings & Management Ltd
35 King Street, Knutsford, Cheshire WA16 6DW

Email: lettings@srushton.co.uk

at any time within the Cancellation Period;

Your Cancellation Notice takes effect as soon as it is posted or sent.

If you would like to know more about your rights you can contact your local Trading Standards Department, or your nearest Citizens' Advice Bureau.

Complete, detach and return this form ONLY IF YOU WISH TO CANCEL THE CONTRACT

I/We hereby give notice that I/We cancel my/our contract for the service as set out in these terms of business.

Ordered on:

Name(s)

Address

Signature(s)

Date.