

Licence to Sub-let

To:	
Date:	

Dear Sirs

As you will be aware, there is a restriction on subleasing the equipment ("the Equipment") as described in the various hire purchase and/or lease agreements entered into between you and us from time to time (each an "Agreement" and together the "Agreements"). Subject to the terms set out below, we are hereby prepared to waive the restriction in the Agreements and grant you a licence (which we may revoke at any time) so that you may sub-lease the Equipment to a third party ("the Sub-Lessee").

1. You will indemnify us and keep us indemnified at all times against all loss or damage however caused as a result of our agreeing to any such sub-lease or varying the terms of the Agreements.
2. The permission to sub-let hereby granted shall automatically cease upon termination of any Agreement by reason of your breach thereof or the occurrence of a termination event (however described) thereunder or for any other reason.
3. The form of agreement used by you to sub-let the Equipment ("the Sub-Lease") shall be approved by us in writing (if we so require) and in that event no other form shall be used.
4. You will ensure that the Sub-Lease includes similar care of equipment obligations found in the Agreements and you represent to us and undertake that:
 - a. the hire period for the Equipment in the Sub-Lease is less than the period of hire of the Equipment in the relevant Agreement;
 - b. the rentals payable under the Sub-Lease shall not be less than the rentals payable under the relevant Agreement and shall not be payable at a frequency that is different to that set out in the relevant Agreement, without our prior written consent;
 - c. the Sub-Lease shall be executed in duplicate and the part signed by the Sub-Lessee shall, if we so require, be lodged with us;
 - d. the Sub-Lease must always be dated after the relevant Agreement;
 - e. the Sub-Lease is not a regulated agreement within the meaning of the Consumer Credit Act 1974 (as amended from time to time) and the Sub-Lessee is a body corporate or a partnership of at least 4 partners;
 - f. the Sub-Lease complies with all relevant laws;
 - g. you are not required to be authorised by the Financial Conduct Authority;
 - h. the Equipment is not to be used by the Sub-Lessee outside the United Kingdom, or if the Equipment is a vehicle, it will not be used outside Western Europe for a period or periods exceeding an aggregate of 28 days in any year, without our prior written consent;
 - i. you will not hold yourself out as the owner of the Equipment or allow the ownership of the Equipment to pass to the Sub-Lessee;
 - j. no variation of the terms of the Sub-Lease is to be made unless first approved by us;
 - k. the Equipment is not to be used for any purpose that might jeopardise our interest in the Equipment; and
 - l. you shall not during the currency of the Sub-Lease sell or give any security or charge (to include a floating charge) upon the rentals payable thereunder.
5. The hire period of the Sub-Lease shall not exceed 90 days. Where the Sub-Lease is for periods in excess of 90 days then you will on our request provide us with a registered charge in respect of the relevant Sub-Lease, or any other similar security document in a form satisfactory to us.

6. You shall continue to observe and perform the terms of the Agreements and shall not be released from your obligations thereunder in consequence of any sub-letting. For the avoidance of doubt, the rights and interests of any Sub-Lessee shall be subject and subordinate to our rights and interests.
7. Upon our first demand you will (a) assign to us absolutely all rights under the Sub-Lease including, but not limited to, your rights of repossession; and (b) give the Sub-Lessee notice of the assignment. You appoint us as your attorney to:
 - (i) execute an assignment (or if in Scotland, an assignation so that all monies which you receive from the Sub-Lessee shall be held in trust for us) to us of the Sub-Lease in such form and at such time as we may deem appropriate; and
 - (ii) demand, sue for or receive and give effective discharge for all amounts payable by the Sub-Lessee under the Sub-Lease, and you agree that this power may be executed by an officer of United Trust Bank Limited.
8. You will take all reasonable steps to ensure that all Equipment is properly insured with reputable insurers at all times throughout the term of the Sub-Lease. It is agreed that our interest shall not be notified with the insurance company.
9. You will keep proper books and book-keeping records of all such Sub-Lessee's accounts relating to all Sub-Leases and will permit us and our representatives to have access to such books and records at any time during normal business hours, for the purpose of examining or taking copies thereof.
10. You warrant to us that in entering into and administering every Sub-Lease you will comply with the requirements of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and in particular (but without limitation) the requirement of those Regulations as to the identification of the Sub-Lessee and the keeping of records of such evidence and your transactions with the Sub-Lessee.
11. This licence may be determined at any time by us giving to you not less than [fourteen] days' notice in writing without prejudice to rights which have already accrued to either party hereunder prior to such termination.
12. Nothing contained in this licence shall create any contractual relationship between us and the Sub-Lessee and the provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this licence.
13. The invalidity of any provision of this licence shall not affect the validity of any other provision.
14. This licence shall be governed and construed in accordance with English law, and shall be subject to the non-exclusive jurisdiction of the English courts. Please sign and return the enclosed copy of this licence in confirmation of your acceptance of its terms.

Yours faithfully,

United Trust Bank Limited

We/I agree to the terms and conditions as set out above.

Signed		Date: <input type="text"/>
Print Name		
Position		

United, we go further

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Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in England and Wales number 549690. We are covered by the Financial Services Compensation Scheme and the Financial Ombudsman Service. We are members of UK Finance, the Finance & Leasing Association and the Association of Short Term Lenders, Patrons of the NACFB and Associates of the Financial Intermediary & Broker Association (FIBA).