



# Renting Homes (Wales) Act 2016

2016 anaw 1

## PART 9

### TERMINATION ETC. OF OCCUPATION CONTRACTS

#### CHAPTER 7

##### TERMINATION OF FIXED TERM STANDARD CONTRACTS

###### *Landlord's break clause*

#### **198 Restrictions on use of landlord's break clause: security and deposit requirements**

- (1) The landlord may not give notice under a landlord's break clause at a time when security required by the landlord in a form not permitted by section 43 has not been returned to the person by whom it was given.
- (2) The landlord may not give notice under a landlord's break clause at a time when any of subsections (3) to (5) apply unless—
  - (a) a deposit paid in connection with the contract has been returned to the contract-holder (or any person who paid the deposit on his or her behalf) either in full or with such deductions as may have been agreed, or
  - (b) an application to the county court has been made under paragraph 2 of Schedule 5 and has been determined by the county court, withdrawn, or settled by agreement between the parties.
- (3) A deposit has been paid in connection with the contract but the initial requirements of an authorised deposit scheme have not been complied with.
- (4) A deposit has been paid in connection with the contract but the landlord has not provided the information required by section 45(2)(b).
- (5) A deposit paid in connection with the contract is not being held in accordance with an authorised deposit scheme.

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*Status: This is the original version (as it was originally enacted).*

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- (6) This section is a fundamental provision which is incorporated as a term of all fixed term standard contracts with a landlord's break clause; section 20 provides that this section—
- (a) must be incorporated, and
  - (b) must not be incorporated with modifications.