

SCHEDULES

SCHEDULE 2

TREATMENT OF HOLDING DEPOSIT

Requirement to repay holding deposit

- 5 (1) The person who received the holding deposit must repay it if—
- (a) that person believes that any of paragraphs 8 to 12 applies in relation to the deposit, but
 - (b) that person does not give the person who paid the deposit a notice in writing within the relevant period explaining why the person who received it intends not to repay it.
- (2) In sub-paragraph (1) “the relevant period” means—
- (a) where the landlord decides not to enter into a tenancy agreement before the deadline for agreement, the period of 7 days beginning with the date on which the landlord decides not to do so;
 - (b) where the landlord and tenant fail to enter into a tenancy agreement before the deadline for agreement, the period of 7 days beginning with the deadline for agreement.