**Novation Agreement** **Template**

**PARTIES:**

(1) [***COMPANY NAME***], a [limited company / public limited company] incorporated in [England and Wales] (registration number [*number*]) having its registered office at [*address*] (the “**Transferor**”);

(2) [***COMPANY NAME***], a [limited company / public limited company] incorporated in [England and Wales] (registration number [*number*]) having its registered office at [*address*] (the“**Transferee**”); and

(3) [***COMPANY NAME***], a [limited company / public limited company] incorporated in [England and Wales] (registration number [*number*]) having its registered office at [*address*] (the“**Counterparty**”).

**BACKGROUND:**

(A) On [*date*] the Transferor and the Counterparty entered into an [agreement][[1]](#footnote-2) relating to [*subject matter*] [(a copy of which is annexed to this Agreement)] (the “**Contract**”).

(B) The parties have agreed that the Transferee will assume the rights and obligations of the Transferor under the Contract, in accordance with the terms of this Agreement.

**AGREEMENT**:

**1. Definitions**

In this Agreement:

 “**Agreement**” means this novation agreement;

 “**Contract**” has the meaning given to it in the Background section; and

 “**Novation Date**” means [*date*].

**2. Transferee's obligations**

2.1 The Transferee undertakes to the Counterparty to observe and perform the Contract and be bound by its terms from the Novation Date, and accordingly all the obligations and liabilities of the Transferor owed to the Counterparty under the Contract arising on or after the Novation Date shall become the obligations and liabilities of the Transferee owed to the Counterparty.

**3. Counterparty's obligations**

**4. Releases**

 Subject to [Clauses [5] and [6]]:

(a) the Transferor releases and discharges the Counterparty from its obligations arising under the Contract on or after the Novation Date;

(b) the Counterparty releases and discharges the Transferor from its obligations arising under the Contract on or after the Novation Date; and

(c) the Counterparty releases and discharges the Transferor from all liabilities arising under the Contract on or after the Novation Date.

**5. Pre-existing claims**

 Nothing in this Agreement shall affect any liabilities which:

(a) the Transferor may owe to the Counterparty; or

(b) the Counterparty may owe to the Transferor,

 Arising under the Contract before the Novation Date.

**6. Indemnity**

**7. Third party rights**

**8. Counterparts**

**9. Law and jurisdiction**

**SIGNED AND DELIVERED** as a deed )

by [*director name*] )

and [*director or company secretary name*] )

duly authorised for and on behalf )

of the Transferor )

**SIGNED AND DELIVERED** as a deed )

by [*director name*] )

and [*director or company secretary name*] )

duly authorised for and on behalf )

of the Transferee )

**SIGNED AND DELIVERED** as a deed )

by [*director name*] )

and [*director or company secretary name*] )

duly authorised for and on behalf )

of the Counterparty )

1. [↑](#footnote-ref-2)