

**MODEL LEASE  
CLAUSE**

## Establish Ground Rules for Tenant Alternative Telecommunications Provider Arrangements

Telecommunications and data networks aren't one size fits all. So, don't be surprised if tenants want to bring in an outside company to reconfigure your building's systems to fit their own unique needs. Refusing to go along with this may drive the tenant away, but agreeing to it exposes you to a host of risks. Solution: Allow tenants to use their own telecommunications services providers but establish groundrules in the lease to ensure that the proposed work doesn't harm you, the building, or its tenants. Based on a template created by a New York City attorney, the Model Lease Clause below provides the 12 key protections you'll need. Talk to your attorney about adapting it to your own situation.

### TENANT TELECOMMUNICATIONS PROVIDERS

- a. Landlord's Consent Required:** In the event that Tenant wishes to utilize the services of a telephone, telecommunications, computer, internet or data (collectively referred to herein as "telecommunications") provider whose equipment is not servicing the Building/Center/Facility ("Building") as of the date of Tenant's execution of this Lease ("Provider"), Tenant and Provider shall be required to obtain the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed, before Provider installs its lines or equipment within the Building.
- b. Conditions to Consent:** Landlord shall grant the consent required under subparagraph a above provided that all of the foregoing conditions are met:
- (1) Tenant must agree to pay all costs incurred in connection with the installation of telecommunications cables, wiring and other related equipment or installations in the Premises, including, without limitation, any hook-up, access and maintenance fees related to the installation of such wires and cables in the Premises prior to the commencement of service therein;
  - (2) Before Provider commences any work in or about the Building:
    - i. Provider must furnish Landlord verification of its licenses, client references and other documentation that Landlord deems necessary to demonstrate that Provider is a trustworthy, experienced and reputable business;
    - ii. Provider must supply Landlord such written indemnities, insurance verifications, financial statements and other information and items relating to the proposed activities of Provider that Landlord reasonably deems necessary to protect its financial interests and the interests of the Building;
    - iii. Provider must consult with Landlord's building manager on the Building requirements relating to the installation of telecommunications equipment and cabling;
    - iv. Provider must agree in writing to abide by the Rules and Regulations applicable to the work and such other requirements as are reasonably determined by Landlord to be necessary to protect the interests of Landlord, the Building and its tenants; and
    - v. Provider must furnish security in such form and amount as determined by Landlord to be necessary to protect the interests of Landlord, the Building and its tenants;
  - (3) Landlord must reasonably determine that there is sufficient space in the Building for the placement, storage, maintenance and operation of all of Provider's equipment and materials;
  - (4) Provider must agree to compensate Landlord a reasonable amount to be determined by Landlord for space used in the Building for the placement, storage, maintenance and operation of Provider's equipment and for all costs that Landlord may incur in arranging for access of Provider's personnel to the Building, security for Provider's equipment, and any other such costs that Landlord may reasonably expect to incur.

- (5) Tenant must pay all costs incurred in connection with the storage, operation, maintenance of the telecommunications cables, wiring and other related equipment or installations it installs in the Premises and Landlord shall have no obligation to repair, maintain or liability with respect thereto, notwithstanding any provision of this Lease to the contrary.
- c. Right to Enter:** In the event Tenant's telecommunications cables, wirings and related equipment in the Premises fail and such failure affects or interferes with the operation or maintenance of any other cables, wiring or related equipment in the Building, then Landlord or any vendor hired by Landlord may enter into the Premises forthwith and perform such repairs, restorations or alterations that Landlord deems necessary to eliminate any such interference and Tenant shall be responsible for all of Landlord's reasonable costs in connection therewith.
- d. Removal of Equipment:** Upon the expiration or earlier termination of this Lease, Tenant shall, at Landlord's request and at Tenant's sole expense, remove all telecommunications cables, wiring and related equipment installed by Tenant for and during Tenant's occupancy.
- e. No Liability of Landlord:** Tenant agrees that neither Landlord nor any of its agents or employees shall be liable to Tenant, or any of Tenant's employees, agents, customers or invitees or anyone claiming through, by or under Tenant, for any damages, injuries, losses, expenses, claims or causes of action related to any interruption, diminution, delay or discontinuance at any time for any reason in the furnishing of any telecommunications service to the Premises and the Building.
- f. Landlord's Consent Is Not Warranty:** Tenant understands, agrees and acknowledges that Landlord's consent under this Section shall not be deemed a guaranty, warranty or representation by Landlord, including, without limitation, any warranty or representation as to the suitability, competence, or financial strength of Provider. Tenant also understands, acknowledges and agrees that Landlord shall have no obligation or liability if any such service by Provider is interrupted, curtailed or discontinued, and that it shall be the sole obligation of Tenant to obtain substitute service at its own expense in such event.
- g. Landlord's Refusal to Consent:** Notwithstanding any provision herein to the contrary, the refusal of Landlord to consent to any prospective Provider or proposed work by said Provider shall not be deemed a default or breach by Landlord of its obligations under this Lease unless and until Landlord is adjudicated in a final and unappealable court decision to have acted in bad faith or recklessly with respect to said refusal.
- h. No Third Party Rights:** The provisions of this Section are intended to benefit and may be enforced solely by Tenant and Landlord. The parties did not agree to these provisions with the intention to benefit Provider, another telecommunications company or any other third party that may seek to enforce them as a third-party beneficiary of the Lease.