



OFFER LETTER DATED 14 October, 2010  
A/C No. 995670 (with retained interest)

Tel  
Fax

Signed for and on behalf of

To: the Officers of "The Borrower" or where the context so admits "you"  
9PX

By this agreement, ("we") agree to lend to you the money shown in 3.1 below. You will give to us a "legal charge". The legal charge in Scotland is the same as a standard security and in Northern Ireland it is the same as a mortgage deed. The legal charge accompanies this agreement and sets out the property which is to be charged to us. You must keep to this agreement and to the terms and conditions of the legal charge. The legal charge is a legal document and means that we hold your property as security for the money which we have lent to you. If you do not keep to the terms of this agreement and the legal charge, we can repossess the property and sell it.

- 1 The 3 properties to be charged (together and / or, where the context may require, separately hereinafter referred to as "the Property") are set out below together with the priority of charge we will obtain over the individual properties as mortgagee. These Properties together constitute the Security for the Loan.
- 2 **First:** a Second charge over Land on the ..... and  
**Second:** a Second Third Party Charge over ..... and  
**Third:** a Second Third Party Charge over ..... and a debenture over the assets of the Borrower.  
In addition and by way of collateral security the personal guarantee of the following individuals is/are required who are required to take independent legal advice in respect of the provision of such guarantee(s) and provide evidence to us of that fact :-

3.1 The Loan: £58500.00 The sum you will receive after deductions set out in 3.2, 3.3, 3.4 and 6 will be £49472.50

3.2 Your Broker's fee: £0.00 3.3 Arrangement Fee: £1500.00 3.4 Our Solicitor's Costs: £1385.00

4.1 Interest Rate: 1.75% per calendar Month. The rate will stay at 1.75% per Month but if at any time from the start of the Loan LIBOR rises in aggregate by 1% or more, we may in our discretion on no less than 14 days notice increase the rate by an amount which is never more than the equivalent LIBOR Rate increase. Interest at the Interest Rate accrues from the start of the Loan and is payable Monthly in arrears before and after any judgment on (1) the balance of any of the Debt (except interest) which is outstanding from time to time; and (2) on interest which has fallen due and remains unpaid. You must pay a full Month's interest for any month or part of a Month that the Loan remains outstanding.

4.2 Facility Fee: We will charge a facility fee of 1.25% per month calculated on the Debt from time to time outstanding at each monthly anniversary of the completion of the Loan. This will be debited to your account and will be payable by you on final settlement of the account. We will waive this fee if you are never more than 5 days late in making any payment due to us and you do not otherwise breach the terms and conditions of your Mortgage.

5 The Term: 6 Month(s) as extended (if at all) in accordance with Condition K overleaf.

6 Number and amount of Monthly Payments: 6 monthly interest only payments of £1023.75. You must make the first Monthly Payment to us 28 days after the Loan is made. You must then make all future Monthly Payments on the same date in each subsequent Month. The first 6 Monthly Payments will be made from the Loan. For this purpose, you authorise our solicitors on your behalf on completion to remit £6142.50 of the Loan (equivalent to the first 6 Monthly Payments) to us to be held by us in an account in our name and used and held upon trust for the purposes only of payment of those Monthly Payments and then the balance of the Debt. You agree that we do not have to account to you for any interest arising whether directly or indirectly from the sums remitted.

7 Mortgage Exit Fee: £1023.75 payable as part of the price for the Loan whenever and in whatever circumstances full repayment is made.

8 We may change your Monthly Payment by giving notice in writing to you under clause F overleaf. We will then work out the new Monthly Payment in the way set out in clause F overleaf.

9 You authorise us on completion on your behalf to pay, by deduction from the Loan, any Brokers Fee, Arrangement Fee and Our Solicitor's Costs shown above and any other amount you have asked us to pay on your behalf. In the event that you do not go ahead with the Loan after accepting this Offer, you agree, if we ask, to pay the Arrangement Fee and, to the extent these have been incurred, Our Solicitor's Costs.

Please note that (in addition to the Broker's Fee set out above) we commonly pay mortgage brokers and introducers an introductory commission which in the case of this Loan will be £500.00 and could influence the advice (if any) you receive from your broker.

ACCEPTANCE BY COMPANY OFFICER(S) FOR BORROWER COMPANY

- > I/We understand that any other parties concerned in this transaction are not acting as your agents and are not authorised to vary the terms of this Offer in any way.
- > I/We have applied to you for a short term loan facility and agree that the sums due to you must (subject only to an extension under condition K) be repaid by no later than the end of the Term. If the Term is extended under condition K2 an extension fee of 3% of the Loan will be added to the Debt when the Term is extended and interest will be charged on it.
- > I/We confirm receipt of a copy of this Offer Letter together with your Tariff of Charges both of which I/We have retained.
- > I/We confirm that I have been advised to seek professional and/or independent legal advice before signing this Offer Letter. The Borrower can afford the Monthly Payments set out above and understand that it must pay them.
- > I/We hereby accept the Offer of Loan for and on behalf of the Borrower as detailed above and the conditions overleaf, the terms of which I/We have read carefully and understand.

Signed.....Dated.....20.. Signed.....Dated.....20..  
For and on behalf of For and on behalf of

TO BE SIGNED BY TWO CURRENT APPOINTED AND REGISTERED OFFICERS OF THE BORROWER COMPANY

**IMPORTANT : YOUR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP THE REPAYMENTS ON YOUR MORTGAGE**

**Withdrawal of this Offer**

A. We may without any liability to you withdraw this offer at any time prior to advance of the Loan if:

- any misrepresentation, fraud or dishonesty on your part comes to our notice;
- any other fact, matter or circumstance arises or comes to our notice which in our absolute discretion we reasonably consider affects or might affect our lending risk.

**Meanings**

B. In this agreement words have special meanings when they start with a capital letter as follows:-  
 'Debt' means all your liabilities to us owed now and in the future under your Mortgage including all interest, costs, charges and expenses in connection with your Mortgage payable by you in accordance with your Mortgage;

'LIBOR' means a rate equal to, on any day, the British Bankers Association's LIBOR (London Interbank Offered Rate) for 1 month sterling deposits designated at 11 a.m. on the Dow Jones/Telereate Monitor service and displayed on Telereate Screen No 3750. If this rate or telerate screen number is no longer available or sterling ceases to exist then LIBOR will be another market rate of interest which we, acting reasonably, determine is the nearest comparable rate for one month deposits.

'Month', and 'Monthly' are references to a calendar month.

'Monthly Payment Day' in any Month is (unless we otherwise agree) the same day as the day 28 days after the completion of the Loan. If that date does not occur in any Month (for example if you pay on the 31<sup>st</sup> of each Month) it is the last day of that Month

If there is more than one of you, whenever we use the word "you" we mean each or any of you individually as well as any two or more or all of you together jointly. This means that, we can enforce your Mortgage against all of you, any of you individually or any combination of you.

"your Mortgage" means this agreement, the security mentioned overleaf and all of the terms and conditions incorporated in these documents.

C. We may sell or transfer our rights and obligations under your Mortgage at any time. You consent to this. If there is a sale or transfer your own rights and obligations will stay exactly the same but you will be bound to the buyer or transferee and they will have all our rights, and powers, including the power to set the Interest Rate, instead of us. References to "we", "us", "ours" etc. include any such person or organisation.

**What and when you must pay us**

D. You must:

- pay us the Monthly Payment on the Monthly Payment Day each Month;
- repay the Debt by no later than the end of the Term;
- pay us interest at the Interest Rate;
- pay us other money due under your Mortgage.

E. Each Monthly Payment is the aggregate of:

- all interest falling due for payment;
- any other sum which has fallen due and which we have agreed may be made by Monthly Payment.

F. We may in our discretion, by giving you at least 14 days' written notice, change the Monthly Payment from time to time to:-

- reflect any change in the Interest Rate or any increase in the Debt;
- include any costs, charges or expenses that you must pay under this agreement;
- reflect or include any arrears of Monthly Payment that have accrued.

**Costs Charges and Expenses**

G.1 You must pay fees and expenses in accordance with our Tariff published at the time of and enclosed with this Offer Letter. The Tariff is also available on request.

G.2 You must also pay all reasonable costs and expenses we have to pay or decide to charge :-

- as a result of any term or condition of your Mortgage being broken;
- in connection with your Mortgage.

G.3 The costs and expenses in this condition include (but are not limited to) :-

- on a full indemnity basis any costs and expenses we pay in legal proceedings (whether or not you are involved in the proceedings);
- on a full indemnity basis any other fees we may pay including debt counselling, collection agency, asset management and valuation fees; and
- any of our own reasonable administration expenses. We may recover these expenses by charging you a fee which we reasonably estimate to represent the cost to us of doing the work for which we are charging the fee;
- reasonable fees of ourselves or our solicitors for administering the repayment and redemption of your Mortgage;

G.4 We will add costs and expenses mentioned in this condition to the Debt as soon as we have to pay them or decide to charge them. You should pay them at that date. If you do not, we will charge interest on them at the Interest Rate.

**When we can call in the Loan, Enforcement**

H. We can enforce the terms of your Mortgage even if we have not enforced them in the past, despite you breaking its terms or conditions. If we do not enforce against all of you this will not affect or release our rights against any of the rest of you. We may also at any time release, discharge from liability, give time for payment to or make any other arrangement with any one or more of you without thereby affecting our rights and remedies against any of the rest of you.

As well as our rights to call in the Loan under the conditions of your Mortgage, if

- a Monthly Payment or any other amount which is at least equal to the amount of a Monthly Payment is at least 28 days late; or

• any of the information given by or on your behalf when you applied for the Loan was incomplete, inaccurate or misleading,

you must on notice pay the Debt plus an amount equal to the extra interest and fees that you would have had to pay under condition J.1 and J.2 if you had given us notice to end this agreement under that condition.

**Early repayment and Ending the Agreement**

J.1 You may at any time make any payment on top of your Monthly Payment. If you do, we will use this extra payment to pay any arrears you may then have on your account with us, then to pay any fees, costs, expenses and charges, and then to reduce the balance of the Loan. However, you must pay an Mortgage Exit Fee in the manner set out in condition J.2 pro rata according to the amount of extra payment(s) which, when aggregated, are more than 10% of the Loan. If you ask us, we can also work out a new Monthly Payment on the new actual balance.

J.2 You can also end this agreement at any time by giving us 28 days notice in writing and paying off the Debt, including the Mortgage Exit Fee set out at 7 overleaf. We will write to tell you the amount you owe.

**Extension of the Term**

K.1 On your written request to us made before the end of the Term, we will in our reasonable discretion, agree to extend it by a period of up to 12 Months subject to payment of a fee which we will agree with you at that time. If we agree to extend we shall issue to you a new agreement for signature.

K.2 If you do not make a written request before expiry of the Term to extend it, you agree that we may treat this as your written request to extend the Term for a maximum period of 2 Months and to pay us a fee of 3% of the Loan for such extension, unless we write to you declining such extension.

K.3 The extension fee will be added to the Debt when the extension starts and repayable at the end of the extended Term.

K.4 If the Term is extended under this condition, all the other conditions of your Mortgage will remain the same.

K.5 You agree that the enforceability of your Mortgage shall not in any way be affected by any extension of the Term pursuant to this condition.

**Your Address**

L. You must tell us about any change of address by writing to us within 14 days of the change. If you do not you will have to pay our costs of tracing you.

**Data Protection and Information about you**

M. You agree that:-

• we may make enquiries of any person including current and previous lenders, employers, landlords, accountants, bankers, HM Land Registry, HM Revenue and Customs, and the Council of Mortgage Lenders Possessions Register and your broker in the processing of your Mortgage and the administration of your account; and

• we can at any time (and you hereby irrevocably authorise) us or our solicitors to act in your name and on your behalf to ask and receive from anyone, including HM Revenue and Customs and HM Land Registry, any present or past information about :-

- the property, any other interest in or in any way affecting it, including any debt however secured on the property and stamp duty land tax;

- your ownership of any other property, including a search of the index of proprietors' names at H M Land Registry.

N. We will make searches about you at reference agencies and the electoral register. If there is more than one of you the search will create an "association" between you. Information about you held by credit reference agencies may also be linked to records relating to the rest of you. The "association" may be taken into account in any applications for credit or financial services and will remain unless you successfully apply for "disassociation" with the agencies. Agencies will record details of the search, may use credit scoring and other methods to check your credit and bona fides. Information about you and those with whom you are linked financially may be used by us and other companies in credit decisions about you, or other members of your household, debt tracing and the prevention of money laundering. You have a legal right, on payment of a fee, to know what personal information we hold about you, its source and to get the details of fraud prevention agencies and others to or from which information about you has passed and its use. If you wish to exercise any of these rights you should write to the "Data Protection Officer" at our address overleaf.

O. all information supplied by you or about you at any time by any person may be held and retained after your account is closed and may be:-

• disclosed to anyone who buys or might buy or fund your Mortgage; and, where you have fallen behind with your payments to credit reference and other agencies, and other third parties including other lenders;

• used by us and anyone appointed by us to manage your Mortgage, make lending decisions, or for business analysis or market research purposes.

• used for marketing of other products to you. You may opt out by ticking this box: -

P. You agree that you or your solicitor will whenever we ask give us any information we need in connection with this agreement including, but not only, about your current address, any pending sale or mortgage of the property and releasing copies of any mortgage offer or other papers or information relevant to the property. You irrevocably authorise your solicitor to do this.

Q. Once this agreement is signed by us you give us permission (which you cannot later withdraw) to register a legal charge or notice at H M Land Registry or the Land Charges Department or the Sasines Register or Land Register of Northern Ireland or Registry of Deeds in Northern Ireland and to make any search on any property you may have an interest in now or in the future. This term applies if the full amount you owe us (including any costs and payments) is not paid at the time that the property is sold or at any time when we think it necessary in order to protect our security and / or interests and / or position in relation to the amount which you owe us in respect of your Loan account.

R. If you used a broker, it was because you chose to do so. If you have asked us to include your brokers fee in your Loan, we will pay this amount direct to your broker. However, this fee is not our responsibility. It is up to you to make sure it is paid. Your broker is your (and not our) agent and we are not responsible for any statement your broker makes