

SECURED LOAN AGREEMENT

This agreement sets out below and overleaf the terms on which we ("Lender") may make a loan to you (the "Borrower")
 Mr _____ OF _____

(the

If there is more than one person named as Borrower under this agreement, each is jointly and severally liable so that each is separately responsible for performing both their own obligations and those of the other person or persons named as Borrower.

Financial and Related Particulars

A	Loan Facility	£238,530.00
B	Title Insurance	£500
C	Borrower's Broker's Fee	£0
D	Acceptance Fee	£2385
E	Solicitor's costs	£1402
F	Total Loan Facility (Total of A to E)	£242,817.00
G	Rate of Interest per month	1.45%
H	Term (in months from drawdown of the Total Loan Facility)	12 months
I	Repayment of Total Loan Facility	Subject to 11 overleaf, the Total Loan Facility must be repaid no later than the end of the Term shown in H above.
J	Anticipated number, amount and timing of payments of interest	Until the Total Loan Facility is repaid the Borrower must make payments of interest of £3,520.85 each per month or any part of a month during which any balance of the Total Loan Facility remains unpaid (assuming no variation in the rate of interest per month), the first payable 1 month after drawdown of the Total Loan Facility, then on the same date in each following month or on the last day of any month which does not contain a corresponding date. The amount of the monthly payments of interest may be varied as provided for in 5 overleaf.
K	Exit Fee payable on settlement of the agreement	£3,520.85 (see 7 and 8 overleaf).
L	A monthly Facility Fee payable on repayment of the Total Loan Facility. This will not be charged if there are no arrears of interest or any other breach of the Terms and Conditions of the Agreement or the Mortgage Conditions, at any time during the term of this Agreement (see 7 and 8 overleaf).	1.00%

M As security for money that the Borrower will owe the Lender under this agreement the Borrower will give the Lender a mortgage (in Scotland a Standard Security and if in Northern Ireland a Mortgage Deed) (the "Security") over the freehold/leasehold/heritable property known as:

Title No(s) _____ (the "Property"). If the terms of this agreement and of the Security conflict the terms of this agreement shall prevail.

N By signing this agreement the Borrower requests and authorises the Lender:

- (i) if the Security is not to be a first mortgage, to pay any prior mortgage arrears;
- (ii) if the Property to be mortgaged is leasehold, to pay any rent, service charge or other sums owed by the Borrower which, if not paid, may result in the Borrower losing the Property;
- (iii) if the loan does not proceed for any reason whatsoever the Borrower will pay to the Lender upon written demand the following sums:
 - a. the fees set out in C and D above;
 - b. all costs, liabilities and expenses properly suffered or incurred by the Lender in connection with the negotiation, preparation, execution and administration of the agreement on a full indemnity basis and/or any sums incurred by the Lender or their professional advisers in connection with this agreement.
 - c. All costs, liabilities and expenses properly suffered or incurred by the Lender in connection with the agreement and the enforcement of any rights of the Lender against the Borrower in respect of the agreement on a full indemnity basis.


These payments will be made by the Lender on the Borrower's behalf by taking them from the Loan Facility and the Borrower understands and agrees that part of the money borrowed by the Borrower from the Lender will be used for this purpose. The Lender will also deduct the Acceptance Fee and the costs, charges and expenses referred to in 2(b)(i) overleaf (the Lender will, on request prior to drawdown of the Total Loan Facility, advise the Borrower how much these are) from any draw down of the Total Loan Facility.

O In signing this agreement the Borrower declares and warrants that:

- (i) the Borrower has read and understood the terms and conditions of it including those overleaf and has been recommended by the Lender to take independent (and, where there is more than one person borrowing, separate) legal or other appropriate professional advice on the contents of the agreement and in respect of the transaction generally; and
- (ii) the Borrower will be able to afford to repay the Total Loan Facility as set out in I above and to make the monthly payments of interest as shown in J (or as varied under 5 overleaf), together with any first mortgage payments if this agreement is secured by a second mortgage.

The Borrower acknowledges that the Lender relies upon these declarations and warranties made by the Borrower when lending the Total Loan Facility.

P The Borrower acknowledges that the Lender may refuse to allow the Borrower to draw down the Loan Facility without giving any reason and without any liability on the part of the Lender to reimburse the Borrower any costs or liabilities that the Borrower may have incurred in reliance on this agreement in relation to the Property, the Security or otherwise.

Signature(s) of Borrower(s)			
Date(s) of signature(s)	15/12/10		
Signed on behalf of the Lender.....			Date.....

TERMS AND CONDITIONS

1. The Borrower agrees to repay the Total Loan Facility advanced by the Lender together with interest by making the payments set out in I and J overleaf, but subject to the Lender's right to change the amount of monthly payments of interest under 5 below. The Borrower may make additional repayments of the Total Loan Facility in addition to the required monthly payments of interest.
2. The Borrower also agrees to pay the Lender:
 - a) the Acceptance Fee;
 - b) all reasonable legal and other costs (including the Lender's own internal costs) that the Lender reasonably incurs or pays to a third party (i) in connection with the negotiation, preparation, execution and administration of this agreement and/or the Security and (ii) in trying to obtain payment of any money due under this agreement;
 - c) the Lender's costs of tracing the Borrower if the Borrower does not notify the Lender of any change of address as required under 6 below;
 - d) all reasonable costs incurred by the Lender or amounts paid to a third party arising from default or a breach of the agreement. This includes if a cheque that the Borrower has given to the Lender is dishonoured or the Lender is unable to obtain payment under a standing order or direct debit;
 - e) The level of the charge to be made by the Lender in any of the circumstances described in this clause may be shown in a tariff of charges provided to the Borrower and which may be varied upon the giving of 14 days notice to reflect any change in the costs incurred in carrying out the work or additional funding costs incurred by the Lender as a result of any breach of the agreement. Any charges will be added to the "Balance Outstanding" and interest charged at the interest rate shown overleaf.
 - f) interest at the rate of interest per month then current under this agreement on any amount falling in (a) to (e) above that the Lender has to pay to someone else, from the date on which the Lender has to pay it until the date on which the Borrower pays, such interest to continue both before and after any judgement (in Scotland any reference to judgement shall mean decree) made against the Borrower. Interest is calculated on each Due Date by applying the interest rate per annum to the "Balance Outstanding" on the preceding Due Date (or, for the calculation of interest on the first Due Date, the Balance Outstanding on the date on which the Lender advances the credit) and dividing the product of that application by twelve. The resulting amount is then added to the Balance Outstanding. "Balance Outstanding" means the aggregate of the credit advanced under the Agreement, fees and charges charged by the Lender and interest added on each Due Date, less any payments made by the Borrower.
3. The Borrower must make each monthly payment of interest to the Lender on the date on which it is due to be paid under J overleaf. If the Borrower is late in making a monthly payment of interest, in addition to the Lender's other rights, the Borrower must pay the Lender interest on the monthly payment from when it was due until it is paid (both before and after any judgement made against the Borrower) at the rate of interest per month then current under this agreement.
4. The Lender may vary the rate of interest per month from time to time to take account of actual or expected changes in market conditions after giving the Borrower not less than seven days notice in writing.
5. The Lender may increase or reduce the amount of the Borrower's monthly payment of interest to take account of any change in the rate of interest per month under 4 above, any additional repayment of the Total Loan Facility under 1 above and any fee payable on postponement of the date for repayment under 11 below.
6. The Borrower must notify the Lender of any change of address.
7. If:
 - (a) the Borrower fails to make any payment due to the Lender on the date on which it is due to be paid; or
 - (b) any of the information that the Borrower gives to the Lender is incomplete or wrong; or
 - (c) the Security shown as 'M' overleaf is or becomes at any time unenforceable; or
 - (d) the Borrower does not meet its obligations under the Security shown as 'M' overleaf or of any prior charge or mortgage over the Property; or
 - (e) the Borrower (if more than one person is named as Borrower, any of them) becomes bankrupt or enters into an arrangement with creditors;then the Lender will be entitled to demand payment of the Balance Outstanding of the Total Loan Facility, together with all other amounts owing under this agreement, the Exit Fee shown as K overleaf and the Facility Fee shown as L overleaf. Interest will be payable on this amount from the date of this demand until it is paid (both before and after any judgement made against the Borrower) at the rate of interest per month then current under this agreement.
8. The Borrower may end this agreement early at any time by paying to the Lender the Balance Outstanding of the Total Loan Facility, together with all other amounts then due under this agreement, the Exit Fee shown as K overleaf and, where appropriate, the Facility Fee shown as L overleaf. Should the Borrower redeem the Loan part way through a particular month during the term of the Loan, the Borrower hereby agrees for the avoidance of doubt that a full month's interest will be due to the Lender in any event and interest will not be levied or apportioned on a daily basis under any circumstances. The Borrower may make additional repayments of the Total Loan Facility in addition to the required monthly repayments set out overleaf. If the Borrower does so any part payment or over payment made by the Borrower and any Exit Fee, Early Repayment Charge, Minimum Number of Months Interest detailed in the Agreement calculated in addition to the Total Loan Facility would still be due to the Lender from the Borrower on settlement/final redemption of the Loan or if the Borrower ended this Agreement early.
9. The property must be kept insured by the Borrower for its full rebuilding cost and this cover must be put in place before completion of the Loan Facility. The Policy should note the Lender's interest and a copy of the policy should be sent to the Lender. There will be an Insurance Administration fee charged. Where the Borrower fails to insure (or keep insured) any Property comprising the Security to the satisfaction of the Lender the Lender may insure the relevant Property as it sees fit. The costs of such insurance are payable by the Borrower including the costs of the Lender for the time spent in discovering whether the Property is insured to the Lender's satisfaction or reviewing the Borrower's current insurance arrangements on a full indemnity basis. The Borrower acknowledges that any insurance affected by the Lender at any time is for the Lender's benefit only and may be cancelled at any time by the Lender without notice to the Borrower. No action by the Lender in insuring any part of the security itself obviates the Borrower's obligation to ensure that the Security is insured to the Lender's satisfaction.
10. The Borrower hereby agrees that the Lender may refer any arrears or late payments incurred by the Borrower or the ongoing supervision of the Loan to a third party debt collection agency for the collection or ongoing administration. The Borrower hereby agrees that all reasonable charges levied by such third party debt collection agency are to be paid by the Borrower when incurred by the Lender.
11. The Borrower agrees that the Lender may disclose details of and relating to the Borrower, this agreement and the Borrower's account with the Lender to third parties who the Lender has notified to the Borrower in accordance with the Lender's data protection obligations and the Borrower acknowledges that the Lender may refuse to enter into this agreement without stating any reason.
12. If the Borrower was introduced to the Lender by a Broker, that Broker was not acting as the Lender's agent and had no authority to bind the Lender in any way. The Lender is not responsible for anything that the Broker may have said or written to the Borrower. Any Broker Fee shown overleaf represents a fee the Borrower has agreed to pay to the Broker. The Borrower authorises the Lender to pay any Broker Fee shown overleaf from the Total Loan. The Lender will also make a payment to the Broker of an amount of £1,000.00 for fully packaging the case, introducing the loan to the Lender and for selling any life or payment protection insurance. The Lender may also make additional payments to the Broker at a later date dependent on a number of factors including the quality of the business introduced to the Lender of between 0.1% to 3.75% of the total business introduced to the Lender. By signing the Agreement the Borrower is consenting to the Lender making all these payments to the Broker. You should be aware such payments by the Lender may prevent your broker from giving unbiased advice when selecting, or advising you on a loan/and/or insurance which is suitable to your needs.
13. At the request of the Borrower, the Lender may, at its discretion, agree to postpone the date for repayment of the Total Facility from that set out in I overleaf or from any date to which repayment has been previously postponed under this provision. If the Lender agrees to a postponement a fee equal to five per cent (5%) of the Total Facility will be payable by the Borrower and will be added to the final monthly payment of interest due from the Borrower for each and every postponement of the date of repayment of the Total Loan Facility agreed by the Lender. Such postponement fees are payable by the Borrower in addition to any Exit Fee, Early Repayment Charge or other costs of the Lender associated with redemption or collection of the loan.
14. The Lender may assign its rights and transfer its obligations under this agreement at any time but the Borrower may not.
15. If the Lender does not enforce any or all of the terms of this agreement at any time that will not prevent the Lender from doing so after that.
16. The Lender is not obliged to consider a request by the Borrower for a partial release of the Security involving the release of any particular Property, or part of the Property prior to the full and final redemption of the Total Loan Facility. However, at its absolute discretion, the Lender may consider a request by the Borrower to release a particular Property or part of the Property from the Security. The terms of such partial release of the Security are to be dictated at the absolute discretion of the Lender and are to include such costs of the Lender as it sees fit in dealing with the Borrower's request including the costs of any further valuations the Lender desires and the Lender's legal fees.
17. Upon request from the Borrower the Lender may at its absolute discretion agree to roll up the agreed monthly payments of interest due from the Borrower into the Total Loan Facility so that they are paid by the Borrower as part of the final monthly repayment. The Lender is not obliged under any circumstances to consider or accept such a request from the Borrower for the avoidance of doubt. In addition the Borrower hereby acknowledges that the Lender may revoke its decision to agree to a roll up of payments any time as the Lender sees fit and on doing so loan repayments will then be due in accordance with the agreed level and frequency set out overleaf. In addition in such circumstances any payments previously rolled up with the agreement of the Lender shall be payable upon demand to the Lender by the Borrower.
18. This agreement will only take effect when it is signed for and on behalf of the Lender and shall be deemed to be made on that date. Once it is made the Borrower will not be able to cancel it.
19. Any notice to the Borrower under this agreement may be given by sending the same by post addressed to the Borrower at his/her address stated overleaf or if there is more than one person named as Borrower at the address of the first named or at such other address as may have been notified to the Lender by the Borrower and if so sent shall be deemed to be served two working days after the date of posting. "Working day" means any day from Monday to Friday save for bank or public holidays. In proving service it shall be sufficient for the Lender to show that the letter containing the notice was properly addressed, stamped and posted.

20. The Borrower agrees with the Lender that this agreement shall be governed by English law and that the English Courts shall have non-exclusive jurisdiction in relation to it.
21. The Lender will deduct the Solicitors costs shown in E above from the Total Loan Facility. In the event that the Borrower accepts this offer and later decides not to proceed with the transaction, the Lender reserves the right to claim from the Borrower the Acceptance Fee shown in D above, any legal costs and disbursements incurred as at the date the borrower withdraws from proceeding with the drawdown.
22. Upon redemption of the Total Loan Facility the Borrower agrees to pay any additional charges of the Lender including administration costs and legal fees on a full indemnity basis for the Lender or its solicitors for dealing with the redemption including the preparation of redemption/settlement figures, the release of any deeds, the preparation/execution of any discharges or releases and dealing with any queries of the Borrower in connection with the redemption. The current Repayment Administration Fee is £295.
23. Any survey and/or valuation report on the Property obtained by or on behalf of the Lender is strictly confidential to the Lender and no warranty or guarantee is made or deemed to be made by the Lender as a result of any of the contents of such survey and/or valuation report in the event that the Loan facility is completed as the value, worth or condition of the Property.
24. Where the Security is or includes any land, buildings or other real Property that benefits from or is the subject of an application for planning permission at any time during the term of the loan the Borrower hereby agrees as a condition of this loan proceeding to:-
- develop the relevant property to the satisfaction of the Lender and in accordance with the timescales and conditions attached to the relevant planning permission ("the Works");
 - notify the Lender of all progress in connection with the Works including all planning related matters and to disclose to the Lender all documentation, notices (sent or received), correspondence, details of any meetings that relate to the Works or any ongoing planning application that in any way affects or relates to the Security. The Borrower hereby waives any professional legal privilege in respect of the same;
 - notify the Lender in writing of the action the Borrower is taking in relation to the Works at least 12 months (or as soon as possible after drawdown of the loan if there is less than 12 months available) prior to the lapse of any timescales connected to/triggering the relevant planning permission (including reserved matters) that authorises the Works;
 - procure warranties in relation to the Works and in particular the standard of workmanship in favour of the Lender in a form acceptable to the Lender from any third party employed or consulted in connection with the Works;
 - procure that in any third party contract associated with the Works the Lender has appropriate step in rights enabling the Lender to enforce any obligations owed by the Borrower as a party to such third party contracts in a format acceptable to the Lender;
 - abide and cooperate with the Lender and abide by the Lender's decisions and directions in respect of all planning related and development matters connected with the Works or any part of the Security;
 - abide by the Lender's directions in respect of the appointment, ongoing work and supervision of the Lender's surveyor who shall at the Lender's sole discretion oversee and review all matters connected to the Works on the Lender's behalf. The Borrower agrees that the Lender's surveyor's appointment and any work undertaken by him is to be at the Borrower's cost on a full indemnity basis;
 - without prejudice to any other cost of indemnity by the Borrower to the Lender the Borrower is to indemnify the Lender in all respects of all costs associated with the Works, any planning or development matters associated with the Security of the ongoing progress of the Works as the Lender sees fit;
 - agree any further condition that the Lender sees fit to impose during the term of the loan in connection with the Works or the Security.
25. The Borrower has no right of cancellation under the Consumer Credit Act 1974, the Timeshare Act 1992 or the Financial Services (Distance Marketing) Regulations 2004. The Lender's main business is secured lending and it holds a consumer credit licence, number 032325 issued by the OFT. The Financial Ombudsman Service is a free, independent service for resolving disputes with financial firms and the Lender will provide details of this service if it cannot resolve any complaint the Borrower may have with the Lender. Other taxes or costs may exist that are not paid via or imposed by the Lender.

IMPORTANT - THE USE OF YOUR INFORMATION

You (the "Borrower") are applying to enter into a Credit Agreement with us (the "Lender") and in considering and administering any agreement you enter with us, we will be using personal data about you. You have a right to know how we will use your personal information and it is important you read the following as by signing this agreement you are agreeing to this use and disclosure of your information: -

We may send you useful information about our and other members of our group of lending companies products and services, pass your details to other selective businesses and to anyone who introduced you to us;

- We may use your information to consider your application to enter an Agreement with us and we will search your records at Credit Reference Agencies.
- The record of our search will be recorded by the agency and will be seen on any future searches made.
- The Credit Reference Information may be linked to any person to whom you are linked financially (see 'associated records' below before you sign)
- We may use a credit scoring or automated decision making system.

We will also add to your records with the credit reference agencies details of any agreement with us, the payments you make under it and any default or failure to keep to its terms. These records will be shared with other organisations and may be used and searched by us and them to consider:

- applications for credit and credit related services, such as insurance, for you and any associated persons;
- trace debtors, recover debts, prevent or detect money laundering and fraud, to manage your account/s.

It is important that you provide us with accurate information. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use information to prevent fraud and money laundering when:

- Checking details on applications for credit and credit related or other facilities;
- Managing credit and credit related accounts or facilities;
- Recovering debt;
- Checking details on proposals and claims for all types of insurance;
- Checking details of job applicants and employees.

Please contact us at Compliance Department, Bracken House, Charles Street, Manchester M1 7BD if you want to receive details of the relevant fraud prevention agencies. We and other organisations may access and use from other countries the information recorded by fraud prevention agencies. Where you have applied for or taken out payment protection insurance we will be required to process personal information about you and to provide this information to the Insurers and policy administrators for the purposes of administering and handling any claims under the policy cover.

Please telephone or write to us if you want to have details of the credit reference agencies and whom we obtain and pass information onto about you. You have a legal right to these details and a copy of the information held. Please note a fee may be payable.

USE OF ASSOCIATED RECORDS

Before entering into any agreement with you we may search your records and credit reference agencies which may be linked to records relating to your spouse/partner or other persons of whom you are financially linked and other members of your household. For the purpose of this application you may be treated as financially linked and will be assessed with reference to 'associated' records. Before any search or application is completed or any agreement is entered into involving joint parties you both consent to us recording your details with credit reference agencies. As a result an association will be created which will link your financial record and your associates information may be taken into account when a future search is made by us or another company unless you file a 'disassociation' at the credit reference agencies. Your details will be held on a computer and we may advise you by letter, telephone, recorded message or otherwise of other financial services offered by our corporate group for a 12 months period from the postage date of this letter. We may do so if you are presently registered, or register within a 12 months period with the Telephone Preference Service or Mail Preference Service, unless you inform us in writing.

From time to time we or the other companies in our group of lending companies, or carefully selected third parties, may wish to contact you to provide you with details of our other goods and services or those of such other companies. You may be contacted in each case by post, fax, telephone, home visit, email, SMS or otherwise. If you do not want to receive details of these goods and services please tick the box.

We may monitor and/or record your telephone conversations with us to ensure standards of service, for staff training and to help prevent crime.