



Registration of a Charge

Company Name: **AB1 DEVELOPMENTS LIMITED**

Company Number: **05009316**



XDYM80NK

Received for filing in Electronic Format on the: **18/03/2025**

Details of Charge

Date of creation: **14/03/2025**

Charge code: **0500 9316 0006**

Persons entitled: **HAMPSHIRE TRUST BANK PLC**

Brief description: **ALL THAT PROPERTY KNOWN AS FOREST GROVE HOUSE, 101A LONDON ROAD, COWPLAIN, WATERLOOVILLE, PO8 8BX REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER HP145757.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HCR LEGAL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5009316

Charge code: 0500 9316 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th March 2025 and created by AB1 DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th March 2025 .

Given at Companies House, Cardiff on 21st March 2025

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

THIRD PARTY LEGAL CHARGE

Date: 14 March 2025	
We (us) the Lender : Hampshire Trust Bank plc registered in England and Wales with company number 01311315 and whose registered office is at 80 Fenchurch Street London EC3M 4BY.	
You, the Mortgagor :	AB1 DEVELOPMENTS LIMITED registered in England and Wales with company number 05009316 and whose registered office is at C/O Bk Plus Murrills House 48 East Street, Portchester, Fareham, England, PO16 9XS
Relating to the obligations of the Borrower :	SHIRLAW HOMES LIMITED registered in England and Wales with company number 10844590 and whose registered office is at Murrills House 48 East Street, Portchester, Fareham, England, PO16 9XS
Property: Forest Grove House, 101a London Road, Cowplain, Waterlooville, PO8 8BX	
	Title Number: HP145757
Standard Conditions: Hampshire Trust Bank plc Specialist Mortgages, Standard Terms and Conditions – October 2023 (" Standard Conditions ")	
Secured Liabilities: the Mortgagor's obligations under clauses 2 to 5 (inclusive)	

1. This Legal Charge incorporates the following provisions of the Standard Conditions, copies of which you acknowledge having received, as if references to "you" and "your" were references to the Mortgagor instead of to the Borrower:

- a. 1 (*Definitions and interpretation*);
- b. 3 (*Set-off*);
- c. 10 (*Dealing with the Security*);
- d. 11 (*Use and occupation of the Property*);
- e. 12 (*Insuring the Property*);
- f. 14 (*Your promises*) (except clause 14.2.1);
- g. 15 (*Confirmations to us*);
- h. 16 (*Action we may take*) (as if references to the Loan Amount were to the Secured Liabilities);
- i. 17 (*Power of attorney to act on your behalf*);
- j. 18 (*Compensation from third parties*);
- k. 20 (*Notices*);
- l. 22 (*Other terms to be aware of*);

2. You promise to pay and/or perform, on demand by us:
 - a. all of the Borrower's obligations to us set out in this Legal Charge, the Facility Letter and the Standard Conditions; and
 - b. all of your obligations set out in this Legal Charge and the Standard Conditions;
 - c. all other monies, liabilities and obligations at any time owed or to become due by you to us on any account whatsoever,

(whether, in each case, certain or contingent, now or in the future).
3. You undertake to us that whenever the Borrower does not perform any of the Secured Liabilities you shall immediately on demand perform such Secured Liabilities as if you were the principal obligor (and this obligation shall form part of the Secured Liabilities).
4. You agree that if any purported obligation secured by this Legal Charge is or becomes unenforceable, invalid or illegal, you will, as an independent and primary obligation, indemnify us immediately on demand against any cost, loss or liability we incur as a result of the Borrower or you not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it to us on the date when it would have been due. The amount payable by you under this indemnity will not exceed the amount it would have had to pay under clause 2 if the amount claimed had been recoverable on the basis of a guarantee (and this indemnity shall form part of the Secured Liabilities).
5. You charge with full title guarantee and as a continuing security with the payment to us of the Secured Liabilities:
 - a. by way of first legal mortgage the Property;
 - b. by way of first fixed charge all proceeds of any insurances effected in respect of the Property;
 - c. by way of first fixed charge the goodwill of any business carried on by you in and from the Property from time to time;
 - d. by way of first fixed charge any shares or other membership rights in any management company or residents association held by virtue of you owning the Property;
 - e. by way of first fixed charge the benefit of the landlord to and in any rights of occupation of the Property and any rental income; and
 - f. By way of floating charge, any chattels or assets stored or located at the Property.
6. You assign absolutely to us:
 - a. your rights and claims now or at any time against tenants or occupiers of the Property or their guarantors;
 - b. your rights and claims now or at any time against managing agents, professional advisors, suppliers or contractors in relation to the Property;
 - c. guarantees, insurances or compensation monies now or at any time relating to any of the Property; and
 - d. any other rights arising from the Property (including any rights to statutory compensation) not otherwise charged under this Legal Charge and in each case to be re-assigned to you when the Loan Amount (as defined in the Standard Conditions) is repaid in full.

7. Your obligations in this Legal Charge are continuing obligations that will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.
8. If any discharge, release or arrangement (whether in respect of the obligations of the Borrower, you or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then your liability under this Legal Charge will continue or be reinstated as if the discharge, release or arrangement had not occurred.
9. Your obligations under this Legal Charge will not be affected by an act, omission, matter or thing which, but for this clause 9, would reduce, release or prejudice any of your obligations under this Legal Charge (without limitation and whether or not known to it or the Lender) including but not limited to:
 - a. any time, waiver or consent granted to, or composition with, the Borrower or other person;
 - b. the release of any other person under the terms of any composition or arrangement with any creditor of any member of the Borrower's group of companies;
 - c. the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - d. any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Borrower or any other person;
 - e. any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document recording the Secured Liabilities or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any document or security;
 - f. any unenforceability, illegality or invalidity of any obligation of any person under any document or security; or
 - g. any insolvency or similar proceedings.
10. Without prejudice to the generality of clause 9, you expressly confirm that you intend that the obligations contained in this Legal Charge shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the documents recording the Secured Liabilities and/or any facility or amount made available under any those documents.
11. You waive any right you may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from you under this Legal Charge. This waiver applies irrespective of any law or any provision of any document to the contrary.
12. Until all of the Secured Liabilities have been irrevocably paid in full, we may:
 - a. refrain from applying or enforcing any other moneys, security or rights held or received by it in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and you shall not be entitled to the benefit of the same; and
 - b. hold in an interest-bearing suspense account any moneys received from you or on account of your liability under this Legal Charge.
13. Until all of the Secured Liabilities have been irrevocably paid in full and unless we otherwise direct, you will not exercise any rights which it may have by reason of performance by you of your obligations under this Legal Charge or by reason of any amount being payable, or liability arising, under this Legal Charge.

- a. to be indemnified by the Borrower;
 - b. to claim any contribution from any other guarantor of Secured Liabilities;
 - c. to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender in respect of the Secured Liabilities or of any other guarantee or Security taken pursuant to, or in connection with, the Secured Liabilities by the Lender;
 - d. to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which you have given a guarantee, undertaking or indemnity under this Legal Charge;
 - e. to exercise any right of set-off against the Borrower; and/or
 - f. to claim or prove as a creditor of the Borrower in competition with the Lender.
 - g. If you receive any benefit, payment or distribution in relation to such rights you shall hold that benefit, payment or distribution to the extent necessary to enable all of the Secured Liabilities to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application against the Secured Liabilities in such manner as we see fit
14. This Legal Charge is in addition to and is not in any way prejudiced by any other guarantee or Security now or subsequently held by the Lender
15. Subject to clause 16, you may terminate the covenant to pay you have provided in clauses 2 and 3 at any time by notice to the Lender with effect from the date ("**Termination Date**") specified in that notice to be not less than three calendar months after the notice is actually received by the Lender.
16. Notwithstanding any notice of termination given under clause 15, your liability under this Legal Charge shall continue in full force and effect in relation to all Secured Liabilities which:
- a. have been incurred and/or become due on or before the Termination Date; or
 - b. may become due, owing or incurred by the Borrower to the Lender pursuant to any transaction, dealing commitment or other engagement entered into or effected either:
 - i. prior to the Termination Date; or
 - ii. on or after the Termination Date pursuant to any commitment, expressed or implied, assumed or undertaken by the Lender to the Borrower prior to the Termination Date
17. If your obligations to us under this Legal Charge ceases for any reason whatsoever to be continuing, we may open a new account or new accounts in the name of the Borrower (and if we do not open a new account or new accounts in accordance with this clause 17, we shall nevertheless be treated as if we had done so at the time when your obligations within this Legal Charge ceased to be continuing, whether by termination, calling in or otherwise, in relation to the Borrower).
18. You will pay any amount payable under this Legal Charge in full on the relevant due date without any deduction, set-off or counterclaim or withholding.
19. In the event that you are required by law to make any deduction or withholding from any amount payable under this Legal Charge, you will pay us such additional amount as is required to ensure that we receive and can retain the same amount as we would have received had the deduction or withholding not been required.
20. If you fail to pay any amount payable under this Legal Charge on the relevant due date or in the case of a sum payable on demand, the date for payment specified in such demand, then we shall be entitled to charge a late payment charge in the amount of 5% per annum above the Bank of England's base rate from time to time on the unpaid amount from the due date (or date specified in the demand) until it is paid in cleared funds (whether before or after judgment).
21. This Legal Charge represents the entire agreement between the Chargor and the Lender, and you acknowledge that you have not entered into this Legal Charge in reliance on any representation or warranty (express or implied) made by us.

- 22. We may assign the benefit of this Legal Charge in whole or part to any person without your consent. You will not assign, transfer or otherwise deal with your rights and/or obligations under this Legal Charge (in whole or part).
- 23. This Legal Charge is made for securing (but we are not obliged to make) further advances.
- 24. You apply to the Chief Land Registrar to enter on the Register a restriction that no disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 14 March 2025 in favour of Hampshire Trust Bank plc referred to in the charges register.

IN WITNESS whereof this Legal Charge has been executed as a deed and is intended to be and is delivered on the above date.

MORTGAGOR

EXECUTED as a deed by you, the Mortgagor, acting by a director and secretary or two directors.

Full name of Director/Secretary (in BLOCK CAPITALS) and signature	Signed in the presence of
	Name (in BLOCK CAPITALS): Paul Edmund Shirlaw Signature: [Redacted] Address: [Redacted]
	Name (in BLOCK CAPITALS): Susan Elizabeth Shirlaw Signature: [Redacted] Address: [Redacted]

LENDER

Signed by **HAMPSHIRE TRUST BANK PLC** acting
by its authorised signatory:

Fedia Chiha

.....
(Print name)



.....
Signature of Authorised Signatory

Specialist Mortgages
**Standard Terms
and Conditions**

October 2023



Specialist Mortgage Conditions

October 2023

1. Definitions and Interpretation

1.1. These words are used in these Standard Conditions and the Facility Letter with the following meanings:

Advance means any drawdown of the whole or any part of the Facility.

Base Rate means the official Bank of England base rate from time to time.

Base Rate Floor means the Interest Rate floor specified in the Facility Letter.

Business Day means a day which is not a Saturday, Sunday, public holiday or bank holiday in England and Wales.

Control means the control of any company as defined in accordance with Section 840 of the Income and Corporation Taxes Act 1988.

Debt Service Costs means (without double counting) the aggregate of the Monthly Payments plus any other amounts scheduled to be payable under the Finance Documents to be made by you to us during any 12-month period ending on each anniversary of the first Advance.

Debt Service Cover Covenant means the Debt Service Cover Covenant set out in the Facility Letter, which covenant may be tested by us at any time by reference to the Rental Income actually received by you in the three-month period immediately preceding the date that we test this covenant, multiplied by four.

Default Interest Rate means the default interest rate specified in the Facility Letter.

Drawdown Conditions means the conditions set out at Part 1 of the Schedule to the Facility Letter and any Special Conditions set out in Part 4 of the Schedule to the Facility Letter.

Duty to Update means the duty to update the OE Register in section 7 of ECTEA.

ECTEA means the Economic Crime (Transparency and Enforcement) Act 2022.

Early Repayment Fee means such fee to be paid by you to us in the event of any early repayment of all or part of the Loan Amount as specified in the Facility Letter.

Event of Default means any event or circumstance specified as such in condition 6 below.

Exempt Overseas Entity means an Overseas Entity of a description specified in regulations under section 34(6) of ECTEA.

Extension Letter means a letter issued by us confirming that the Final Repayment Date for an Advance has been extended, in the form set out in the Facility Letter.

Facility means the loan facility set out in the Facility Letter.

Facility Letter means any letter from us to you containing an offer of a Facility and which incorporates the Standard Conditions.

Facility Limit means the maximum amount of the Facility available to you at any one time pursuant to the Facility Letter.

Final Repayment Date means the date specified in the Facility Letter as the latest date upon which the Loan Amount should be repaid.

Finance Documents means any Facility Letter, these Standard Conditions, the Tariff, the Security, any Guarantees, any request for drawdown of an Advance, any variations or side letters pertaining to those documents and any other document designated by us as a "Finance Document".

GAAP means generally accepted accounting principles in the United Kingdom.

Guarantee means any guarantee document given in favour of us by a Guarantor.

Guarantor means any person, firm or corporate body required to guarantee your obligations and/or performance of the obligations of any third party under the terms of the Finance Documents.

Interest means interest accruing on the Loan Amount or any other sum to which it is stated to apply, calculated at the Interest Rate.

Interest Rate means the rate of interest payable in respect of the Loan Amount as described in the Facility Letter (as varied from time to time).

Loan Amount means all the monies outstanding from you to us in respect of the Facility at any given time including the principal amount of all Advances, any interest, costs and expenses and other money that you may owe us at any time under the Finance Documents.

Loan to Value means the proportion expressed as a percentage which the Loan Amount bears to the market value of the Property (including where applicable the property of any Security Provider) calculated in accordance with the then most recent Valuation.

Material Adverse Event means any event which, in our opinion, acting reasonably, is likely to:

- a. materially adversely affect the ability of you or any Security Provider to comply with the Finance Documents;
- b. materially adversely affect the business (where applicable), operations, property, condition (financial or otherwise) or prospects of you or any Security Provider;
- c. result in any of the Finance Documents not being legal, valid and binding on, and enforceable substantially in accordance with its terms against any party to the Finance Documents and in the case of any debenture not providing us security over the assets expressed to be subject to any security interest under such debenture;

- d. result in any Security not providing us with an enforceable right over the assets expressed to be covered by it; and/or
- e. materially adversely affect our rights or remedies under the Finance Documents.

Maximum Loan to Value means the maximum Loan to Value specified in the Facility Letter.

Monthly Payments means the monthly payments set out in the Facility Letter (as varied under these Standard Conditions from time to time).

OE Register means the Register of Overseas Entities established under section 3 of ECTEA.

Overseas Entity has the meaning given by section 2 of ECTEA.

Payment Date means the date each Monthly Payment is due under the Facility Letter.

Permitted Capitalisation Period has the meaning given to it in condition 4.3.

Property means the land of whatever tenure specified in the Facility Letter and any building(s) erected upon, under or over such land and includes any part of the Property.

Registered Overseas Entity means an Overseas Entity that is registered in the OE Register and is compliant with the Duty to Update.

Rental Income means in respect of the Property, the rental income payable to you in relation to the letting of all or part of the Property.

Security means the documents stipulated in the Facility Letter and any assignment, pledge, lien or other interest which we require to be completed as security for the Loan Amount.

Security Provider means any person who provides Security or is a Guarantor.

Standard Conditions means these conditions.

Tariff means our tariff of fees and charges.

Valuation means the valuation of a Property supplied at our request and prepared on the basis of the market value as that is defined in the then current Statements of Asset Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors and such Valuation as we request from time to time.

VAT means Value Added Tax or any tax of a like nature.

We, us and our means Hampshire Trust Bank Plc and its assigns, transferees, successors, beneficiaries, or anyone who may take over all or any of its legal rights to the Loan Amount and/or under the Finance Documents.

You and your means, as appropriate:

- a. the corporate body named as the borrower in a Facility Letter;
- b. the individual named as the borrower in a Facility Letter;
- c. the individuals named as the borrowers in a Facility Letter in their capacity as partners in the partnership and the partnership; or

- d. the individuals named as the borrower in a Facility Letter in their capacity as trustees of the trust, and includes the personal representatives of any such person, anyone who takes over the legal rights and duties of any such individual, corporate body or partnership and if there is more than one person, all such persons together and each such person separately.

1.2. In these Standard Conditions and the Facility Letter:

1.2.1. words in the singular will include the plural and where the plural is used will include the singular;

1.2.2. where there is more than one of you, each of you is liable for all of the obligations under the Finance Documents on a joint and several basis and if you breach any of the obligations under the Finance Documents we may enforce the terms against all or any of you and pursue each of you individually and both of you together to recover the Loan Amount;

1.2.3. a reference to an agreement, document or legislative provision shall be a reference to that agreement, document or legislative provision as amended, supplemented, varied, substituted and/or replaced from time to time;

1.2.4. a reference to a party shall include that party's successors, permitted assigns and permitted transferees; and

1.2.5. the expressions "includes" and "including" do not limit the meaning of any other words.

2. Payments

2.1. By the Final Repayment Date set out in your Facility Letter (or any different date which may later be agreed between you and us in writing in an Extension Letter), you must repay the Loan Amount.

2.2. If the Facility Letter specifies that it is a 'Repayment Facility', you will have to make Monthly Payments that are made up of interest and capital. The amount of your Monthly Payment is set out in the Facility Letter and may be varied in accordance with these Standard Conditions.

2.3. If the Facility Letter specifies that it is an 'Interest Only Facility', you will have to make Monthly Payments that are made up only of interest. You will need to repay all Advances plus fees and charges by or on the Final Repayment Date. It is your responsibility to ensure you will be able to make this repayment.

2.4. You must make the Monthly Payments in pounds sterling on the Payment Date until the Loan Amount is repaid in full.

2.5. We may, acting fairly, reasonably and proportionately, change the Payment Date to:

2.5.1. reflect technological changes in our business; or

- 2.5.2. enable us to harmonise, in a reasonable manner, the Payment Date following any acquisition or transfer of mortgages or any takeover or merger with another provider.
- 2.6. We will give you two months prior written notice of any change to the Payment Date. The change shall become effective on the Payment Date immediately following the expiry of the two months' notice.
- 2.7. If you do not repay the Loan Amount in full by the Final Repayment Date (or any different date which may later be agreed between you and us in writing in an Extension Letter) we can continue to apply Interest to the Loan Amount at the Default Interest Rate until it is repaid. We may also take proceedings against you which could result in us repossessing and selling the Property. Further details of the actions we may take if you do not repay the Loan Amount in full by the Final Repayment Date are set out in condition 16.
- 2.8. If we receive any payment from you which is insufficient to pay in full what you owe to us we will apply the amount in the following order:
- 2.8.1. towards any unpaid fees, costs and expenses (including those of any receiver or insolvency practitioner);
- 2.8.2. towards all accrued Interest being due and payable under the Finance Documents;
- 2.8.3. towards payments of the principal element of the Loan Amount to the extent it is due and payable; and
- 2.8.4. towards all other obligations due and payable under the Finance Documents.
- 2.9. In certain circumstances we may vary the Monthly Payments. We may do this if:
- 2.9.1. there is a change in the Interest Rate (including where the Interest Rate switches from a fixed rate to a variable rate);
- 2.9.2. we add any unpaid charges to the Loan Amount;
- 2.9.3. a change to the term of the Facility is agreed between you and us in writing; or
- 2.9.4. the change is required by any change in law or regulation.
- 2.10. We will act reasonably in exercising our right to vary the Monthly Payments in these circumstances and will notify you personally of the revised Monthly Payment. We will tell you not less than 10 Business Days in advance if your Monthly Payments are changing and when the first amended payment is due.
- 2.11. If we or a receiver sell the Property (or if you are a company, your other assets charged to us pursuant to the Security) following enforcement action against you, you and any Guarantor must still pay us any amount by which the sale proceeds fall short of the Loan Amount. If the shortfall is not paid immediately, we will continue to charge Interest on it at the applicable Default Interest Rate until it is paid.
- 3. Set-off**
- If you (or any Guarantor) do not make a payment on time on any Facility (or Guarantee) with us, we may use any money we have received from you (or any Guarantor), or any money which we hold for you (or any Guarantor), to make the payment (including any money in any accounts you (or any Guarantor) have with us). This right is sometimes referred to as 'the right of set-off'. Please note, we will not allow set-off by you or any Guarantor. All payments must be paid without set-off to any other accounts you (or any Guarantor) have with us.
- 4. Interest**
- 4.1. From the date of the first Advance, Interest will be payable on the Loan Amount at the Interest Rate specified in the Facility Letter and will be calculated daily on the Loan Amount by reference to the number of days in each calendar month or part of a calendar month and a year of 365 days or 366 days in a leap year. Interest which is not paid when due will itself be added to the Loan Amount and start incurring Interest from the date it falls due (this is known as compound interest).
- 4.2. Unless the Facility Letter specifies that Interest will be capitalised, the first payment of Interest is payable on the date that is one calendar month following the date of the first Advance and thereafter on the same day in each subsequent calendar month (save when such day is a day which does not appear in any month (such as 29, 30 or 31 of any month where applicable) or where such date is not a Business Day when the payment of Interest shall be made on the preceding Business Day). By way of illustration only, if the date of the first Advance is on 31 March, the first payment of Interest would be payable on 30 April unless 30 April is not a Business Day in which case it would fall due on the preceding Business Day.
- 4.3. If the Facility Letter specifies that Interest will be capitalised for any period set out in the Facility Letter (a Permitted Capitalisation Period) then Interest that accrues during that period will be added to the Loan Amount on the same date as it would have been payable in accordance with condition 4.2 above. On expiry of the Permitted Capitalisation Period you will pay us Interest in accordance with condition 4.2 above.
- 4.4. If an Event of Default occurs:
- a. Interest will accrue at the Default Interest Rate from and including the date of the Event of Default until the Event of Default is remedied to our reasonable satisfaction.
- b. Any Guarantor must still pay us any amount by which the sale proceeds fall short of the Loan Amount. If the shortfall is not paid immediately, we will continue to charge Interest on it at the applicable Default Interest Rate until it is paid.

- c. During a period when Interest is being capitalised, the Permitted Capitalisation Period set out in the Facility Letter will automatically end (unless we agree otherwise) and Interest will accrue at the Default Interest Rate in accordance with condition 4.4(a) and be payable in accordance with condition 4.2.
- 4.5. For the purposes of calculating the Interest Rate that applies to the Facility:
- a. Where the Interest Rate is stated to track Base Rate, following a change in Base Rate your Interest Rate may increase or decrease and we will apply any increase or decrease in a way that is aligned to movements in the Base Rate. Any change in Interest Rate arising out of a change of Base Rate will be reflected on your account no later than 31 days after the end of the month in which the Bank of England announces the change to Base Rate.
- b. An interest rate floor will apply. So, if the Base Rate falls below the Base Rate Floor, Base Rate shall be deemed to be the Base Rate Floor.
- 4.6. We will continue to charge you Interest at the Default Interest Rate even if a court makes an order for you to pay the money you owe us.
- 5. Changing the Interest Rate**
- 5.1. Where the Interest Rate is specified in the Facility Letter as being a fixed rate for a period before reverting to a variable rate then at any time before, during or after any fixed rate period ends we may (but are not obliged to) agree in writing to fix the Interest Rate under this Facility for any further period and rate that we may agree.
- 5.2. Except during any period when Interest is stated in your Facility Letter to be charged at a fixed rate, we have the power to vary the Interest Rate or the basis on which Interest is charged to respond reasonably and proportionately to any one or more of the following events below:
- a. a change in our costs in funding your Facility (this may include, for example, where the interest rates on the money we borrow to fund your Facility, such as Base Rate increases);
- b. a change in the law, codes of practice or the way we are regulated; or
- c. the occurrence of a Material Adverse Event.
- 5.3. We will give you at least six months prior notice of a change for the reasons specified in condition 5.2(a). If you repay the Facility within six months of the date of this notice, you will not have to pay any Early Repayment Fee that would otherwise be payable. Where the change is for any other reason we will give you reasonable advance notice of the change in accordance with condition 20.
- 5.4. If the Base Rate:
- 5.4.1. no longer exists;
- 5.4.2. has changed significantly;
- 5.4.3. is no longer published;
- 5.4.4. is temporarily unavailable; or
- 5.4.5. is no longer used by the majority of active financial services firms in the market,
- we have the right to apply a different reference rate. This may change the amount of Interest you pay. A different interest rate might be calculated over a different period, and may be reviewed on different dates. In applying a different reference rate we will follow an approach that we reasonably expect to minimise any change in the cost of your Facility and will give you advance notice of any change.
- 5.5. If, for the reasons specified in condition 5.1 or 5.4 we apply a different reference rate or agree to fix the Interest Rate under the Facility for a further period, all references to the Interest Rate in the Facility Letter or these Standard Conditions shall be deemed to be references to the replacement rate. Any Security and Guarantee will continue in full force and effect.
- 6. Event of Default**
- 6.1. We may at any time after the occurrence of an Event of Default set out in condition 6.2 below:
- 6.1.1. demand immediate repayment of the Loan Amount;
- 6.1.2. withdraw the availability of the Facility or any undrawn part of the Facility; and
- 6.1.3. enforce, or take any step to enforce, our Security under the Facility (including appointing a receiver or enforcing a Guarantee).
- 6.2. Each of the following is an Event of Default:
- 6.2.1. you have failed to make payment of any sum payable under any Finance Documents within 7 Business Days of the date it was due for payment;
- 6.2.2. you materially or persistently fail to comply with any of your obligations (other than for the payment of money) to us in relation to the Finance Documents and such breach is either incapable of remedy or not remedied within such reasonable period as we specify;
- 6.2.3. you materially or persistently fail to comply with any of your obligations under any other facility agreement or instrument entered into with us and such breach is either incapable of remedy or not remedied within such reasonable period as we specify;
- 6.2.4. you or any Security Provider is convicted of any criminal offence involving dishonesty, deceit, breach of statutory duty, or which results in a custodial sentence for the person concerned;

- 6.2.5. you, or any Security Provider, fail to meet the requirements of the Renting Homes (Wales) Act 2016;
- 6.2.6. any confirmation or statement made by you (or any other party) in relation to the Facility set out in the Finance Documents or any other document delivered to us under or in connection with the Facility (including but not limited to information provided in your application for the Facility) is incorrect, fraudulent or misleading when made or deemed to be made, or you (or anyone else on your behalf) has failed to give information which would have had a significant negative impact on our decision to lend or continue to lend to you;
- 6.2.7. any:
- i. of your debts are or are capable of being declared prematurely due and payable due to the occurrence of an Event of Default (however described); or
 - ii. facility for your debts is withdrawn or cancelled due to the occurrence of an Event of Default (however described);
- 6.2.8. you are unable or admit an inability to pay your debts or, by reason of actual or anticipated financial difficulties, suspend payment of any of your debts, have a distress or a bankruptcy order levied against you or enter into negotiations with any of your creditors with a view to rescheduling your debts or entering into any composition or arrangement with your creditors generally or any class of creditors, or call or cause to be called, apply or have an application made for a meeting of your creditors or any class of creditor;
- 6.2.9. you are a corporate body and fail to satisfy a statutory demand served on you under Section 12(1)(a), Section 268(1)(a) or Section 222 of the Insolvency Act 1986, as appropriate;
- 6.2.10. you are a corporate body, you become unable to pay your debts or you are deemed to be unable to pay your debts within the meaning of Section 123 Insolvency Act 1986;
- 6.2.11. you are a partnership, you are deemed unable to pay your debts within the meaning of Sections 222, 223 or 224 of the Insolvency Act 1986;
- 6.2.12. you are a corporate body or partnership, any step is taken with a view to:
- i. the winding up, dissolution, administration, receivership or any analogous procedure in respect of you;
 - ii. the appointment of a receiver, liquidator, provisional liquidator, administrator, administrative receiver or manager or other similar officer of you or your assets other than the presentation of a winding up petition which is frivolous and vexatious and is dismissed within 10 days or if earlier, prior to the date on which it is advertised;
- iii. the rescheduling of your debts pursuant to a reorganisation, voluntary arrangement or otherwise; or
 - iv. a receiving order or administration order being made against you, for the benefit of or on behalf of any creditor, in respect of your business, assets, property or any part thereof;
- 6.2.13. you are a partner in a partnership or an individual, any step is taken with a view to:
- i. the appointment of a receiver or other similar officer of all or part of your assets; or
 - ii. the rescheduling of your debts pursuant to a reorganisation, voluntary arrangement or otherwise;
- 6.2.14. you are a partner in a partnership or an individual and you have a bankruptcy order made against you or we reasonably think that one is likely to be made;
- 6.2.15. you are a corporate body, you are dissolved or struck off the register or the Registrar of Companies threatens to do so or an order is made to wind you up;
- 6.2.16. you are a partnership, you are dissolved, terminated or wound up;
- 6.2.17. you are a trustee and you act in breach of your obligations or the trust deed, which sets out the rules by which you are required to act;
- 6.2.18. any steps are taken to enforce any encumbrance over all or part of your assets;
- 6.2.19. any distress, execution or similar process affects your assets and is not discharged within 10 days;
- 6.2.20. it becomes unlawful for you to perform any of your obligations under the Finance Documents or any other document delivered to us under or in connection with the Facility;
- 6.2.21. any Security is not or ceases to be valid and effective;
- 6.2.22. any of your obligations under the Finance Documents or any other document delivered to us under or in connection with a Facility ceases to be legal, valid, binding or enforceable;
- 6.2.23. any Finance Documents cease to be in full force and effect or any Security ceases to be legal, valid, binding, enforceable or effective;
- 6.2.24. you cease, or threaten to cease, to carry on all or a material part of your business or operations;
- 6.2.25. you are a corporate body, a change of Control occurs (and we reasonably anticipate it will have a material effect on your ability to perform your obligations under the Facility or will put you in breach of any of the Finance Documents);
- 6.2.26. you are a corporate body and you change the constitution of the corporate body or any director or other board member resigns;
- 6.2.27. you are a corporate body and any shares are held by an individual or entity which is not also a director;

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Active as of 19th October.

- 6.2.28. you are a corporate body and any director is not also a Guarantor under the Facility;
- 6.2.29. any building forming part of the Property has been pulled down, altered or had any restrictions placed on its use (including where required under the laws about planning) and as a result the value of the Property has decreased or will decrease;
- 6.2.30. the Property is compulsorily acquired (for example, a local authority forces you to sell the Property to them) or requisitioned;
- 6.2.31. the Property has been abandoned;
- 6.2.32. there is refurbishment work on the Property and the refurbishment work is not completed in accordance with the programme agreed with us to achieve repayment of the Loan Amount on or before the Final Repayment Date;
- 6.2.33. you breach any of the conditions set out at conditions 10.1.9, 10.1.10, 11 or 21 of these Standard Conditions or any of the confirmations that you and/or any Security Provider provides under condition 15 of these Standard Conditions is incorrect;
- 6.2.34. you breach any of the other obligations under the Finance Documents (including, but not limited to, the obligations at condition 10 of these Standard Conditions) or any other agreement applying to any part of the Facility in a respect which is in our view serious or material, and you have failed to remedy the breach within a reasonable time of us giving you written notice of it;
- 6.2.35. you are a partner in a partnership or an individual, you die or cease to have mental capacity to enter into valid contracts under English law or, in the case of more than one partner in a partnership, the last surviving partner dies or ceases to have mental capacity to enter into valid contracts under English law;
- 6.2.36. you are the sole borrower and you die or cease to have mental capacity to enter into valid contracts under English law;
- 6.2.37. any circumstance occurs in respect of a Security Provider or procedure or step is taken in respect of a Security Provider analogous to those set out in conditions 6.2.1 to 6.2.34 (inclusive);
- 6.2.38. it becomes unlawful for a Guarantor to perform its obligations under any Guarantee;
- 6.2.39. any obligations or obligations of a Guarantor under any Guarantee are not or cease to be legal, valid, binding or enforceable;
- 6.2.40. a Guarantor terminates, revokes, cancels or determines in whole or in part its liability or obligations under any Guarantee or evidences an intention to terminate, revoke, cancel or determine in whole or in part its liability or obligations under any Guarantee;
- 6.2.41. you have failed to set up the required direct debit mandate in advance of the Facility being made, or if the direct debit mandate is withdrawn at any time during the duration of the Facility; or
- 6.2.42. any event occurs or circumstances arise which are or are reasonably likely to be a Material Adverse Event.
- 6.3. If it becomes unlawful for us to perform any of our obligations under the Finance Documents, we will notify you in writing and demand immediate repayment of the Facility whereupon you will immediately repay the Loan Amount.

7. Withdrawing our offer of the Facility

- 7.1. We may withdraw the offer of the Facility at any time before it is drawn down, including (but not limited to) the circumstances set out below:
- 7.1.1. an Event of Default occurs;
- 7.1.2. we reasonably consider that we would not obtain enforceable or sufficient Security (for example a Valuation reveals something which materially affects the value of the Property or its suitability as Security);
- 7.1.3. we reasonably consider that we need to do so to prevent our services being used for financial crime; or
- 7.1.4. there is a change to our lending policy or practices which means that we are no longer able to lend to you.
- 7.2. If we withdraw the offer of the Facility you will still have to pay any fees and charges which are described as non-refundable.

8. Fees, charges and expenses

- 8.1. You must pay us:
- 8.1.1. all fees specified in the Facility Letter.
- 8.1.2. any applicable fees and charges as set out in the Tariff that we provide.
- 8.1.3. all other reasonable costs, charges and expenses (including legal, valuation, surveyor's and other out-of-pocket fees and expenses) reasonably and properly incurred by us from time to time in respect of the Facility (and irrespective of whether all or part of it is advanced).
- 8.2. If fees and charges are added to your account, they will form part of the Loan Amount and Interest will be charged on them from the date they are added to the Loan Amount.
- 8.3. We may change any of our charges set out in the Tariff if there is a change (or we reasonably expect there will be a change) in the cost we incur in carrying out the activity to which the charge relates. We may also introduce new charges. We will give you at least 30 days' advance notice of introduction of a new charge or a change to an existing charge, unless such change is to your advantage in which case it will take effect immediately and without notice.

9. Early repayment

- 9.1. You may repay the Facility, or part of it, early. If you do and:
- 9.1.1. your Facility is described in the Facility Letter as a 'Development Exit' or 'Bridging' Facility' and you make the payment within 3 calendar months of drawdown of the first Advance then you must pay the Early Repayment Fee; or
- 9.1.2. your Facility is any other type of Facility:
- i. once in each period of 12 calendar months calculated from and including the date of first drawdown of the Facility (and from each anniversary of that date) you may repay up to 10% of the Loan Amount which was outstanding at the start of that 12-month period without incurring any Early Repayment Fee.; and
 - ii. you must pay the Early Repayment Fee in connection with any payment in excess of that permitted by condition 9.1.2 (i).
- 9.2. If you repay the Facility in full you will also need to pay any fees or charges (set out in the Tariff) in connection with release of the Security.

10. Dealing with the Security

- 10.1. There are certain actions that you must take, or must not take, in relation to the Property. You must and you must ensure any tenants of the Property:
- 10.1.1. keep the Property in a good condition at all times and carry out any necessary repairs;
- 10.1.2. meet all legal obligations in respect of the Property (including without limitation those prescribed by the Housing Act 1988, Renting Homes (Wales) Act 2016 and subordinate and associated legislation);
- 10.1.3. comply with all promises and obligations which (now or in the future) are binding on you in respect of the Property or its use (for example, obligations under the title deeds or laws about planning);
- 10.1.4. ensure that any unfinished building or works on the Property are completed without delay and are carried out to the required standard;
- 10.1.5. if the Property is leasehold, comply with all of the tenants' obligations under the lease;
- 10.1.6. pay all existing and future rents, taxes, outgoing and rent charges affecting the Property (this expressly includes both ground rent and service charges which may apply);
- 10.1.7. send to us a copy of any notice or other document affecting the Property within 14 days of you receiving it from:
- i. a landlord (if the Property is leasehold);
 - ii. a tenant of the Property;
 - iii. a rent charge owner (if the Property is subject to a rent charge);
 - iv. anyone claiming a legal right over the Property;

- v. any government department, local or other authority but only where such notice or document relates to a matter that is likely to affect the use or value of the Property (for example planning notices); and
 - vi. a commonhold association (if the Property is commonhold);
- 10.1.8. allow us, our employees, or agents to enter the Property after giving you reasonable notice so that we may:
- i. carry out a valuation of the Property;
 - ii. inspect the state of repair and condition of the Property;
 - iii. carry out or complete any work which is needed to put right any failure by you to comply with these Standard Conditions;
 - iv. tell us before you apply to a local authority or other similar body for any loan or grant for the repair or improvement of the Property. This is because the loan or grant may be subject to conditions requiring the whole or part of the grant to be repaid. You cannot accept any such loan or grant unless we agree in writing;
- 10.1.9. not knowingly take any action regarding the Property that is against any applicable law or regulation; and
- 10.1.10. hold all relevant licences and consents, including but not limited to Energy Performance Certificates and Gas Safety Certificates and comply with any regulatory matters in relation to the Property.
- 10.2. Other than as permitted in condition 11.3 and condition 11.4, you must not do any of the following without getting our written consent first:
- 10.2.1. transfer, assign, mortgage, obtain an extended lease of or otherwise deal with or give away the Property;
 - 10.2.2. accept the surrender of any lease or tenancy of the Property; or
 - 10.2.3. alter or extend the Property.
- 10.3. We may instruct a valuer to value and inspect the Property and provide us with a Valuation at any time.
- 10.4. We will require you to pay the cost of any such Valuation promptly on demand, if:
- 10.4.1. a Valuation has been obtained in connection with the compulsory purchase of the Property; or
 - 10.4.2. a Valuation has been obtained by us at any time when an Event of Default is occurring, or we reasonably believe that an Event of Default is occurring.

11. Use and occupation of the Property

- 11.1. You must not occupy the Property yourself and you must not agree to grant a tenancy of the Property to any of the following:

- 11.1.1. your family members (including, for example, your spouse, civil partner, parents, grandparents, siblings, children and grandchildren) (each a Family Member);
- 11.1.2. if you are a corporate body, any director, member or shareholder and any Family Member of a director, member or shareholder;
- 11.1.3. if you are partnership, any partner or any Family Member of a partner; and
- 11.1.4. people who could claim diplomatic immunity.
- 11.2. You must not, unless we have agreed in writing, grant or agree to grant or renew any lease or tenancy of the Property or give to any person any contractual or other licence or right to occupy or live in the Property other than a tenancy which complies with condition 11.3 or condition 11.4.
- 11.3. You must ensure that any tenancy agreement for the Property is in a form that is satisfactory to us and:
- 11.3.1. for a non-corporate tenant complies in all respects with the Housing Act 1996 as an Assured Shorthold Tenancy (as defined by the Housing Act 1988) and any obligations under the Immigration Act 2014 are complied with; or
- 11.3.2. for a corporate tenant must be for a term which is not more than 72 months and must not be a Protected Tenancy as defined by the Landlord and Tenant Act 1954. If the Rental Income for the Property exceeds £100,000 per annum, the tenancy agreement must be on the same terms as an Assured Shorthold Tenancy.
- 11.4. If the Property is being used as a holiday let, the Property must be available to let for at least 210 days a calendar year and must be let on a short-term basis for a period of no more than 31 continuous days to the same tenant.
- 11.4. If the Property is being used as a holiday let, you are permitted to occupy the property for up to 30 calendar days, provided those 30 calendar days are not included in the above 210 days.
- 12. Insuring the Property**
- 12.1. Your Property must be covered by buildings insurance for as long as it is security for money that you owe us.
- 12.2. Except where the Property is insured in accordance with condition 12.4, you must insure the Property and the following terms will apply:
- 12.2.1. you must maintain a comprehensive policy against all usual house insurance risks with such insurers as we approve. The risks include (but are not limited to) fire, explosion, earthquake, storm, flood, escape of water or oil, subsidence, heave, landslip and malicious damage. The policy must be for the cost of full reinstatement of the Property, including clearing the site and paying all fees and expenses. The amount insured under the policy must be enough to put the Property back to its original state following any amount of damage or destruction;
- 12.2.2. you will tell the insurer of our interest in the Property as mortgagee;
- 12.2.3. you must give us a copy of the insurance policy on or before the date of the first Advance; and
- 12.2.4. you must give us proof of payment of the premiums, a copy of the latest renewal receipt and any insurance valuations that have been carried out if we ask for this.
- 12.3. If you fail to insure the Property in accordance with condition 12.2, we can insure it instead. If we do so:
- 12.3.1. we will choose the insurers and maintain a comprehensive policy against all usual house insurance risks and for the cost of full reinstatement of the Property; and
- 12.3.2. we will do so at your expense and you will pay the charges we impose under condition 8.1.3 for making good your failure to insure.
- 12.4. If the Property is leasehold or commonhold and the terms of the lease or the commonhold community statement provide for the Property to be insured by a third party (for example, the landlord), then the Property will not need to be separately insured by you, provided that:
- 12.4.1. you comply with the terms of the lease;
- 12.4.2. you tell or ensure that the landlord tells the insurer of our interest in the Property as mortgagee and you or the landlord arrange for our interest to be noted on the policy;
- 12.4.3. we have approved the policy and confirmed that the insurance is in force; and
- 12.4.4. you do your best to ensure that the Property remains insured against all risks detailed in condition 12.2.1 above and for the cost of full reinstatement of the Property.
- 12.5. You will not do anything or allow anything to be done or not done which may make the insurance invalid or which makes the insurance more difficult or expensive to obtain or maintain or affects the ability to make a claim under the insurance policy.
- 12.6. We may, on your behalf, settle and adjust any claims against the insurers of the Property. In the event of a payout following a claim on the policy (whether arranged by you or us), we may receive any money paid out under the claim or, if you receive it, you must hold it on trust on our behalf and keep it separate from your other funds. We will use any money paid under the insurance policy to rebuild or repair the Property unless it is impracticable to do so, in which case, we will use the money to reduce or pay off the Loan Amount.
- 13. Loan to Value and Debt Service Cover Covenant**
- 13.1. The Loan to Value in respect of the Property to be charged to us as Security for the Facility may not exceed the Maximum Loan to Value.

- 13.2. We may at any time obtain (at your cost) a Valuation of the Property to confirm the Loan to Value. We will not do this more than once every six months unless we reasonably consider it necessary.
- 13.3. The Debt Service Cover Covenant specified in the Facility Letter must not be breached at any time whilst the Loan Amount is outstanding.
- 13.4. We may at any time obtain (at your cost) such reports as we, acting reasonably, consider necessary to test compliance with the Debt Service Cover Covenant. We will not do this more than once every six months unless we reasonably consider it necessary.
- 13.5. If the Loan to Value at any time exceeds the Maximum Loan to Value or you breach the Debt Service Cover Covenant we may:
- 13.5.1. require you to make a capital repayment (together with any Early Repayment Fee) so that the Loan to Value reduces below the Maximum Loan to Value or that you are no longer in breach of the covenant; or
- 13.5.2. require you to provide such additional security over any other property to reduce the Loan to Value below the Maximum Loan to Value or so that you are no longer in breach the covenant; or
- 13.5.3. treat this as an Event of Default.
- 14. Your promises**
- 14.1. You will:
- 14.1.1. comply with all laws and regulations applicable to you, your business and the Property; and
- 14.1.2. promptly provide such financial or other information as we may reasonably require from time to time relating to your business and/or your financial position.
- 14.2. You will not:
- 14.2.1. make a substantial change to the general nature of your business, unless we give our consent;
- 14.2.2. create or permit to subsist any encumbrance over the Property other than the Security without our prior written consent;
- 14.2.3. if you are a company, create or permit to subsist any encumbrance over your assets other than the Security without our prior written consent; and/or
- 14.2.4. sell, assign, lease transfer or otherwise dispose of in any manner (or purport to do so) all or any part of any interest in your assets other than any disposal or letting of the Property permitted by the Finance Documents.
- 14.3. If you are a corporate body, you will:
- 14.3.1. immediately notify us of the appointment of any new director or member or if any director ceases to be a director or any member ceases to be a member;
- 14.3.2. procure that each director, member or other officer from time to time appointed provides us with a Guarantee or Security (in a form acceptable to us) for your obligations under each Facility Letter, on demand by us; and
- 14.3.3. provide to us a copy of your audited accounts as soon as possible after the end of your financial year and a copy of your monthly management accounts within 15 Business Days after the end of each month.
- 14.4. If you are a partnership, you will notify us within 14 days:
- 14.4.1. if a new partner is appointed to the partnership and ensure such partner accedes to the terms of the Finance Documents as required by us and in a manner acceptable to us;
- 14.4.2. of the death, bankruptcy, incapacity, expulsion or retirement of a partner of the partnership; and
- 14.4.3. of any other event which results in a person ceasing to be a partner of the partnership.
- 14.5. If you are a trust, you will notify us within 14 days:
- 14.5.1. if a new trustee is appointed to the trust and ensure such trustee accedes to the terms of the Finance Documents as required by us and in a manner acceptable to us;
- 14.5.2. of the death, bankruptcy, incapacity, expulsion or retirement of a trustee of the trust; and
- 14.5.3. of any other event which results in a person ceasing to be a trustee of the trust.
- 14.6. If you or any Security Provider is an Overseas Entity, you and/or the relevant Security Provider(s) has registered as a Registered Overseas Entity and will, on the first and each subsequent anniversary of such registration, comply with the Duty to Update and provide us with evidence (in a form and satisfactory to us) of ongoing compliance with the Duty to Update.
- 15. Confirmations to us**
- 15.1. You confirm to us that:
- 15.1.1. if you are a partnership or trust, it is duly constituted and validly existing under the laws of its jurisdiction of establishment;
- 15.1.2. if you are a corporate body, it is duly incorporated and is validly existing under the laws of its jurisdiction of incorporation;
- 15.1.3. you have the power to own your assets and to carry on your business as it is being conducted;
- 15.1.4. you have full power and capacity to enter into and perform your obligations under the Finance Documents or any other document delivered to us in connection with the Facility;
- 15.1.5. no limit on your powers will be exceeded as a result of you entering into and performing your obligations under the Finance Documents or any other document delivered to us in connection with the Facility;

- 15.1.6. all necessary action has been taken to authorise you to enter into and perform your obligations under the Finance Documents or any other document delivered to us in connection with the Facility;
- 15.1.7. the obligations expressed to be assumed by you in the Finance Documents or any other document delivered to us in connection with the Facility are legal, valid, binding and enforceable;
- 15.1.8. the entry into, and performance by you of obligations in, the Finance Documents or any other document delivered to us in connection with a Facility does not conflict with:
- your constitutional documents (if any);
 - any law or regulation applicable to you; and/or
 - any agreement or instrument binding on you or your assets or constitute a default under any;
- 15.1.9. you have obtained and maintained in full force and effect all consents, licences or other authorisations required by you to enable you to perform your obligations under the Finance Documents or any other document delivered to us in connection with the Facility;
- 15.1.10. all factual information provided by you to us under or in connection with the Facility and the Finance Documents or any other document delivered to us in connection with the Facility (including but not limited to information provided in your application for the Facility) was accurate in all material respects when provided and did not omit any information which would render the information provided misleading;
- 15.1.11. if you are an individual, any certified business accounts supplied by you to us under or in connection with the Facility:
- were prepared in accordance with GAAP consistently applied; and
 - fairly represent your financial condition and the results of your operations for the period in respect of which they were prepared;
- 15.1.12. if you are a partnership, any certified business accounts of the partnership supplied by you to us under or in connection with the Facility:
- were prepared in accordance with GAAP consistently applied; and
 - fairly represent the partnership's financial condition and the results of the partnership's operations for the period in respect of which they were prepared;
- 15.1.13. if you are a trustee, any certified business accounts of the trust supplied by you to us under or in connection with the Facility:
- were prepared in accordance with GAAP consistently applied; and
 - fairly represent the trust's financial condition and the results of the trust's operations for the period in respect of which they were prepared;
- 15.1.14. if you are a corporate body, any audited financial statements supplied by you to us under or in connection with the Facility were prepared in accordance with GAAP consistently applied;
- 15.1.15. if you are a corporate body, any unaudited financial statements supplied by you to us under or in connection with the Facility fairly represent your financial condition and the results of your operations for the period in respect of which they were prepared;
- 15.1.16. no litigation, arbitration or other administrative proceedings or investigations have been started or threatened against you which if adversely determined would be a Material Adverse Event;
- 15.1.17. you are not in breach of any law or regulation where such breach would be a Material Adverse Event; and
- 15.1.18. no Event of Default has occurred and is continuing.
- 15.2. You provide to us confirmations analogous to those set out in conditions 15.1 to 15.1.18 (inclusive) in connection with any Guarantee or Security provided in relation to the Facility, and will procure that any Security Provider gives us the same analogous confirmations.
- 15.3. The confirmations in conditions 15.1 and 15.2 are made on the date of your acceptance of the Facility Letter and deemed to be repeated (by reference to the facts and circumstances then existing) on: (i) the date of the request to drawdown any Advance; (ii) the date that any Advance is actually drawn-down; and each date a Monthly Payment is payable. These confirmations will continue to apply where any Facility is transferred in accordance with condition 19 of these Standard Conditions.
- 16. Action we may take**
- 16.1. We may take any of the steps specified in condition 16.2 if you have become obliged to pay us the Loan Amount immediately under condition 6.1. We may appoint a fixed charge receiver to take these steps instead of us. A receiver is someone we can appoint to manage the Property for us. Although we would appoint the receiver, they would act for you and in your name (not us) and you would have to pay their fees.
- 16.2. We or any receiver may do the following to protect our position and safeguard the Property as security for the Loan Amount:
- 16.2.1. generally manage the Property including collecting and receiving all rents, arranging any necessary repairs and maintenance, completing any unfinished refurbishment works, ensuring compliance with local authority requirements, maintaining, renewing or increasing insurances and serving notices under any relevant housing legislation;

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Active as of 19th October.

- 16.2.2. take possession of the Property and take any action or proceedings necessary to do so;
- 16.2.3. sell the Property (whether or not we have taken possession) for a price and on such terms as we may think fit (always ensuring that we obtain the best price possible in the circumstances);
- 16.2.4. let or sublet the Property and vary, renew, terminate, surrender or accept surrenders of leases, tenancies, occupation contracts or licences over the Property for a price and on such terms and for such rent and payment as we think fit;
- 16.2.5. sell any freehold or leasehold reversions created as a result of letting or subletting the Property under condition 16.2.4 above; and
- 16.2.6. where the Property has been let or sublet under condition 16.2.7. above, exercise, on your behalf and without having to give you prior notice or obtain your consent, all the powers and duties conferred on a landlord by legislation in force at the time.
- 16.3. If we, or a receiver appointed by us, take possession of the Property you must remove all furniture and other moveable property (personal items) from the Property within 7 days and must not remove any fixed items from the Property without our agreement in writing.
- 16.4. If any furniture or moveable items are not removed within 7 days then you agree that we or the receiver may:
- 16.4.1. deal with them as your agents and at your expense;
- 16.4.2. store, sell or otherwise dispose of anything which belongs to you, in which case we (or the receiver) will credit you any proceeds received less all reasonable expenses of the storage and sale; and/or
- 16.4.3. remove and store, at your expense, anything which we know does not belong to you.
- 16.5. Where more than one receiver is appointed each joint receiver may act separately and independently of any other joint receiver (unless the document appointing such receiver states otherwise). We may from time to time remove a receiver and appoint another in their place.
- 16.6. A receiver may charge any amount for their services as we reasonably agree with him or her and you will be responsible for paying those fees. We and any receiver may also employ and pay agents to act in our or the receiver's place. These agents will be treated as your agents and you will also be responsible for their fees so long as they are reasonable.
- 16.7. The Law of Property Act 1925 (the "Act") sets out certain rules in relation to the appointment of a receiver and the enforcement of security. It is typical for a mortgage lender to disapply certain of those rules and we do that as set out below:
- 16.7.1. Section 109(8) of the Act is amended to allow a receiver to use any money received by him or her to repay any money owing by you in such order of priority (not being an order which is in conflict with condition 2.8) as we and the receiver reasonably agree, rather than a specific order set out in those rules; and
- 16.7.2. Sections 99, 100 and 103 of the Act set out some specific powers in relation to dealing with a Property, but we or a receiver are able to dispose of the Property in any way that we see fit provided that we or they act reasonably and do not breach these Standard Conditions.
- 16.8. Please ask your solicitor if you require further information on our enforcement powers.
- 17. Power of attorney to act on your behalf**
- 17.1. We and any receiver appointed over the Property may need to take certain action (including signing documents) on your behalf to protect our Security. By execution of the Security, you therefore appoint us and any receiver appointed over the Property to be your attorney to take such action where necessary. This means we and any receiver appointed over the Property are legally entitled to act on your behalf and to take any action which you are obliged to take under the Finance Documents. We are appointed for as long as the Facility remains in force securing any money you owe to us.
- 17.2. If we remedy a breach of obligations under the Finance Documents any cost reasonably occurred in doing so may be debited to the Loan Amount so that Interest is charged on it.
- 18. Compensation from third parties**
- 18.1. You may at some time be entitled to recover money or damages:
- 18.1.1. to correct or compensate for defects or damage relating to the Property or the title to it; or
- 18.1.2. for any breach of contract or wrongful act or omission which may have caused damage to the Property or to the title to it or caused you to accept the Property or the title to it in a damaged or defective condition.
- 18.2. If you recover money or damages pursuant to condition 18.1 above, you may use the money or damages recovered either towards making good the damage or defects or towards payment of the Loan Amount.
- 19. Transferring the Facility**
- 19.1. We may sell, transfer, assign, charge or otherwise dispose of our interest (in whole or in part) in the Facility or in connection with the Loan Amount to another person at any time at law or in equity on such terms as we may decide and without your consent.

- 19.2. Unless the terms of the transfer state otherwise, a transferee will be able to exercise all the rights, powers and remedies which we are able to exercise before the transfer. In the event of a transfer, your obligations to us under the applicable Finance Documents will continue for the benefit of the transferee.
- 19.3. The assignment, transfer, charge or other disposal of any of our rights under the Finance Documents or in connection with the Loan Amount does not require the additional consent of any Guarantor and we are not required to notify the Guarantor of such assignment, transfer, charge or other disposal but in the event that any such consent is required then each Guarantor agrees and consents to such assignment, transfer, charge or disposal.
- 19.4. We may disclose the following to any person who takes, or is about to take, a transfer, assignment, charge or other disposal of all or part of our interest in, or any of our rights under or in respect of, the Finance Documents or Loan Amount, or who takes, or is about to take, a transfer of all or some of our obligations under the Finance Documents:
- 19.4.1. any information you or any Security Provider gave us when you applied for a Facility and any information you or any Security Provider subsequently give to us; and
- 19.4.2. any other information or documents we hold concerning the Property, any other Security we hold in respect of the Loan Amount, or the way you or any Security Provider have performed any obligations under the Finance Documents.
- 19.5. Where any information or document which we disclose under this condition was originally supplied by you, you agree that the person to whom we disclose it may rely on its truth and accuracy.
- 19.6. You may not assign or transfer your rights or obligations under the Finance Documents.
- 20. Notices**
- 20.1. We may give you notice under these Standard Conditions by writing to you personally either:
- 20.1.1. by post to your last known address or if you are a corporate body, your correspondence address on file; or
- 20.1.2. by other electronic communication to any number or email address you have given us for this purpose.
- 20.2. Any notice given by us under condition 20.1 will be considered as received by you as follows:
- 20.2.1. Post: the second working day after date of posting (regardless of class of post); and
- 20.2.2. Email: the day the email is sent.
- 20.3. Any notice that you give to us must be sent to the address of our registered office (shown on the Companies House Register) or such other address as we notify you of from time to time.
- 20.4. You must inform us in writing if you intend to become resident in a country outside of the United Kingdom. If you then do so, you need to inform us in writing of that fact, providing us with details of a process agent in England and Wales who is authorised to accept service of proceedings on your behalf.
- 21. Financial crime**
- You agree to provide us, on request, any information that we reasonably require to meet our legal and regulatory obligations in relation to the detection, investigation and prevention of financial crime. Failure to provide such information when required is an Event of Default.
- 22. Other terms to be aware of**
- 22.1. We will supply these Standard Conditions and otherwise communicate with you in connection with your Facility in the English language.
- 22.2. The Finance Documents represent the entire agreement between us. Each Finance Document may be executed in a number of counterparts.
- 22.3. You agree that if we have undercharged Interest, costs or any other sum due under or in connection with the Finance Documents, we will still be able to recover the undercharged element from you.
- 22.4. Any statement by us of any amount due under or in connection with the Finance Documents shall, in the absence of manifest error, be conclusive and binding.
- 22.5. Each of the provisions of these Standard Conditions are distinct from each other. If one or more provisions becomes illegal, invalid, void or unenforceable, this will not affect any of the remaining provisions and the remaining provisions shall apply as if the illegal, invalid, void or unenforceable term had not been included.
- 22.6. Laws and regulations imply certain terms into our agreement with you. For example, as well as the powers set out in these conditions, we and you both have some other legal rights. Unless these Standard Conditions explicitly disapply those rights, they will be applicable to you or us.
- 22.7. If we decide not to enforce any part of these Standard Conditions or delay enforcing it, such delay or inaction will not affect our right to enforce the same part at a later date.
- 22.8. We can change these Standard Conditions if it is reasonable to do so to:
- 22.8.1. make them easier to understand or where the change is to your benefit;
- 22.8.2. change the way we look after your Facility as a result of changes beyond our reasonable control in the banking or financial system, technology or the systems we use to run our business; and/or

- 22.8.3. reflect changes to the law, codes of practice or the way we are regulated.
We will give you reasonable notice of such changes in accordance with condition 20.
- 22.9. No person other than a party to the Facility (including a receiver) or a person who takes a transfer of our interest in the Facility or the Loan Amount under condition 19 may enforce any rights under these Standard Conditions or your Facility under the Contracts (Rights of Third Parties) Act 1999.
- 22.10. No amendment to a Finance Document shall be effective unless it is in writing and signed by us (and, if required, by the other party/ies to the relevant Finance Document(s)), except where the Finance Documents permit us to make the change without the consent of the other party/ies.
- 22.11. All payments due from you or any Security Provider shall be free and without deduction of tax unless there is a legal requirement to make such deduction or withholding of tax, in which case the amount due shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, we receive a net amount equal to the amount we would have received had no such deduction or withholding been made.
- 22.12. You, each Guarantor and each Security Provider agree to cooperate fully with us in doing such acts and executing such documents as may be necessary or desirable to give full effect to the Facility and any related Security
- 22.13. We may waive, vary or postpone any of our rights under the Facility or any Security, but only by express and specific written notification.
- 22.14. These Standard Conditions are governed by the laws of England and Wales. The courts of England and Wales will have exclusive jurisdiction over any dispute or claim that arises in connection with the Finance Documents.



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