



for the once in a lifetime

# Lifetime Mortgages

## Terms and Conditions (2017 v1)

# Welcome to Lifetime Mortgages

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## 1. Introduction

- 1.1 This booklet sets out the terms and conditions which apply to **your lifetime mortgage**. They should be read together with the **offer**, the **mortgage deed** and the **tariff**.
- 1.2 For so long as **you** hold a OneFamily **lifetime mortgage loan**, **you** will be a member of **our** parent, Family Assurance Friendly Society. **We** are committed to complying with the UK Corporate Governance Code as relevant to mutual insurers. The Code sets out good practice standards in terms of how **we** manage the Society as well as the rights of **our** customers. **We** believe that it is important for **our** directors to listen to the views of **our** customers and understand how they affect the running of **our** business. **We** invite **you** to talk to **our** directors and take an active interest in the governance of OneFamily.

For more information, please go to the members information section of onefamily.com. **You** can also email **us** with feedback at members@onefamily.com or write to **us** at the Member Relations Team, OneFamily, 16-17 West Street, Brighton BN1 2RL.

These contact details should not be used for enquiries about the **lifetime mortgage**.

## 2. Definitions

- 2.1 In these terms and conditions certain words and phrases have specific meanings which are set out below and for **your** convenience are listed in alphabetical order. Defined terms are denoted in bold print.

<b>“activities”</b>	means one of the following activities which are based upon definitions recommended by the Association of British Insurers:
“dressing”	being able to put on, take off, secure and unfasten all clothes and, as appropriate, braces, artificial limbs or other surgical appliances;
“feeding”	being able to feed oneself food which has been prepared and made available;
“mobility”	being able to move from room to room in the home;
“transferring”	being able to move from bed to an upright chair or wheelchair and vice versa;
“washing”	being able to wash in a bath or shower (including getting into or out of either) or wash by any other means;
<b>“cognitively impaired”</b>	means loss of mental ability resulting in confusion, loss of orientation or concentration and memory. Such mental impairment is measured by specific tests to determine memory loss, orientation and judgement;
<b>“completion”</b>	means the date <b>we</b> first advance money under <b>your lifetime mortgage</b> (or as applicable the date <b>we</b> make any <b>further advance</b> );
<b>“default”</b>	means any of the following:
a)	it comes to <b>our</b> attention that any information which <b>you</b> have provided to <b>us</b> when applying for the <b>lifetime mortgage</b> is inaccurate or untrue in any significant way which would have adversely affected <b>our</b> decision to lend to <b>you</b> had <b>we</b> been aware of it and which breaches <b>your</b> obligation to supply <b>us</b> with true and accurate information in applying for the <b>lifetime mortgage</b> ;
b)	the <b>total outstanding</b> has not been repaid within 12 calendar months of the date it became payable under these terms and conditions;
c)	<b>you</b> break any of <b>your</b> material obligations to <b>us</b> under these terms and conditions;

- d) **you** leave the **property** for a continuous period of 6 calendar months or more without **our** agreement and **you** do not need **long-term care**;
- e) **you** become bankrupt, or if **you** enter into a composition, scheme or other arrangement with **your** creditors in breach of **your** obligations to **us** under this **lifetime mortgage**; or
- f) a Compulsory Purchase Order is made for the **property** so that **you** have to sell the **property**;

“early repayment charge”	means the amount <b>you</b> may have to pay <b>us</b> if <b>you</b> choose to repay all or part of the <b>total outstanding</b> early. How <b>we</b> decide whether <b>we</b> require an <b>early repayment charge</b> , and how <b>we</b> calculate this, is described in the <b>offer</b> ;
“estimated term”	means the estimated duration of <b>your lifetime mortgage</b> as set out in Section 5 of the <b>offer</b> ;
“further advance”	means the amount of any additional money <b>we</b> may lend <b>you</b> during the <b>term</b> , as described in Condition 12 below;
“interest payment lifetime mortgage”	means a <b>lifetime mortgage</b> where <b>you</b> are obliged to make payments of interest;
“interest payment part”	means the part of the <b>lifetime mortgage loan</b> set out in Section 5 of the <b>offer</b> on which <b>you</b> are required to make payments of interest (if <b>you</b> have an <b>interest payment lifetime mortgage</b> );
“interest payment period”	means the period during which interest payments (if <b>you</b> have an <b>interest payment lifetime mortgage</b> ) are to be made as set out in Sections 5 and 8 of the <b>offer</b> ;
“interest rate”	means the rate or rates of interest set out in Section 5 of the <b>offer</b> (or the relevant one(s) at any given time) as varied from time to time (if the <b>offer</b> states that the rate is variable) in the manner described in the <b>offer</b> ;
“lifetime mortgage”	means the agreement comprised of the <b>offer</b> , the <b>mortgage deed</b> , these terms and conditions, and the <b>tariff</b> ;
“lifetime mortgage loan”	means the total amounts advanced under <b>your lifetime mortgage</b> ;
“long-term care”	means that <b>you</b> have left the <b>property</b> because <b>you</b> are no longer able to carry out two or more <b>activities</b> without the assistance of another person, or because <b>you</b> have become <b>cognitively impaired</b> ;
“LPA”	means the Law of Property Act 1925;
“mortgage deed”	means the document which gives <b>us</b> security over the <b>property</b> for the <b>total outstanding</b> and which incorporates these terms and conditions;
“offer”	means <b>our</b> written offer(s) to provide <b>you</b> with a loan, including any subsequent written offer(s) to provide <b>you</b> with a <b>further advance</b> in each case as varied, replaced and supplemented from time to time;
“proceeds of sale”	means the price at which the <b>property</b> is sold, less legal and estate agent fees;
“property”	means <b>your</b> home described on the first page of the <b>offer</b> or such other substituted property as <b>we</b> accept as security for the <b>total outstanding</b> under Condition 16 below;
“repayment date”	means the date <b>you</b> repay the <b>total outstanding</b> ;

<b>“tariff”</b>	means the booklet which <b>we</b> have given <b>you</b> called “tariff of charges” setting out the costs and charges associated with <b>your lifetime mortgage</b> . <b>We</b> will review these costs and charges from time to time and can change them or introduce new ones to reflect in a proportionate manner any changes in <b>our</b> costs <b>we</b> reasonably incur in providing services in relation to <b>your lifetime mortgage</b> or lifetime mortgages generally including where <b>we</b> provide new services or incur extra costs as a result of changes in law or regulation or in any other respect outside <b>our</b> reasonable control. If <b>we</b> do so <b>we</b> will send <b>you</b> a new <b>tariff</b> ;
<b>“term”</b>	means the period from <b>completion</b> to the <b>repayment date</b> ;
<b>“total outstanding”</b>	means the total of all money <b>you</b> owe to <b>us</b> at any time under <b>your lifetime mortgage</b> ;
<b>“transfer”</b>	means a sale, assignment, transfer or other disposal of all or any of <b>our</b> rights under <b>your lifetime mortgage</b> ;
<b>“transferee”</b>	means anyone who is entitled to exercise all or any of <b>our</b> rights under <b>your lifetime mortgage</b> as a result of a <b>transfer</b> under Condition 20 below;
<b>“valuer”</b>	any person who provides (or has provided) <b>us</b> with a professional opinion of the value of the <b>property</b> .

### 3. Interpretation

- 3.1 In these terms and conditions “**we**”, “**our**” and “**us**” means OneFamily Lifetime Mortgages Limited and any successor or **transferee** and “**you**” or “**your**” means the borrower or borrowers named in the **offer**. It includes **your** personal representatives and executors and anyone claiming any right or interest from or through **you**.
- 3.2 If there are two of **you**, **your** obligations under **your lifetime mortgage** are joint and several and independent so that **you** will each be fully liable to **us** for the whole of the **total outstanding**.
- 3.3 In the event of any conflict between the provisions of the **offer** and these terms and conditions, the **offer** will prevail.
- 3.4 References in these terms and conditions to any law include any replacement for or variation to it from time to time in force.

### 4. Conditions

- 4.1 Before **we** make **your lifetime mortgage loan** (and subject to Condition 4.2 below) **we** must receive the following documentation and in each case **we** must be satisfied with its form and content:
  - 4.1.1 the **mortgage deed** signed by **you**;
  - 4.1.2 confirmation from **your** solicitor that he or she has fully and clearly explained to **you** the terms of the **lifetime mortgage** and the implication for **you** and for **your** estate of entering into the **lifetime mortgage** and the situations in which it will become payable;
  - 4.1.3 confirmation from **our** solicitor that **you** have good and marketable title to the **property** (including where there are joint borrowers that the **property** is owned by both of **you**) and that there are no outstanding mortgages, charges or encumbrances over the **property** or that they will be discharged at **completion** and that all **our** requirements have been met;
  - 4.1.4 confirmation that the **property** is insured in accordance with the **offer** and Condition 16.1.5 below and evidence that the premiums are paid to date.
- 4.2 Where **we** make a **further advance** the **offer** will specify any requirements to be satisfied before **completion**.

## 5. Completion

- 5.1 **Completion** will take place as soon as reasonably possible after the matters specified in Condition 4.1 or 4.2 above (as applicable) have been satisfied.
- 5.2 On **completion we** will pay the initial advance under the **lifetime mortgage loan** to **your** solicitors (or to **you** on a **further advance**) less any amounts retained under any special conditions set out in **your offer**.
- 5.3 Where **completion** is conditional on redemption of existing mortgage(s), **our** solicitors will retain sufficient funds to redeem the existing mortgage(s) and the balance of the initial advance under the **lifetime mortgage loan** less any retention referred to in Condition 5.2 above will be sent to **your** solicitors.
- 5.4 If prior to **completion**:
- 5.4.1 it comes to **our** attention that any information which **you** have provided to **us** when applying for the **lifetime mortgage** is inaccurate or untrue in any significant way; or
- 5.4.2 there is a material reduction in the value of the **property**; or
- 5.4.3 in **our** reasonable opinion there is any other reason why it is no longer appropriate for **us** to make the **lifetime mortgage**,

**we** can withdraw the **offer**.

## 6. Interest

- 6.1 The **interest rate** is either fixed for the **term** or will be a variable rate in each case as will be set out in the **offer**. If **you** have a variable **interest rate** the **offer** sets out how and when it may vary.
- 6.2 If **you** have an **interest payment lifetime mortgage** **you** agree to pay the interest at the **interest rate** described in Section 5 of the **offer** on the **interest payment part** for the **interest payment period** by making monthly interest payments as set out in the **offer**. Interest on the rest of **your lifetime mortgage loan** will roll up. **You** may, at any time during the **interest payment period**, elect to stop making interest payments. If **you** do, **you** must first notify **us** in writing. When the **interest payment period** has ended or **you** have elected to stop making monthly interest payments, **we** will convert the **interest payment lifetime mortgage** to a lump sum interest roll-up **lifetime mortgage loan** and interest will roll up. Interest will be charged on the converted lump sum interest roll-up **lifetime mortgage loan** from the date of conversion at the lump sum interest roll-up rate that existed at the time **you** took out **your interest payment lifetime mortgage**. If **your offer** does not state a separate rate for interest roll up then the **interest rate** will be the same as that it was prior to conversion. **You** may also be charged an administration fee at **our** then standard rate as set out in the **tariff** which will be added to the **total outstanding** and interest will be charged on it at the **interest rate**.
- 6.3 If Condition 6.2 applies and **you** have missed four monthly interest payments (not sequential), **we** will automatically end the **interest payment period** and convert the **interest payment part** as set out in Condition 6.2 above. The outstanding payments and accumulated interest will be added to the **interest payment part** of **your lifetime mortgage loan** when it is converted to a lump sum interest roll-up **lifetime mortgage loan**.
- 6.4 **We** will calculate interest daily on the **total outstanding** (including any unpaid fees, costs and charges) from **completion**. Where **you** incur any fees, costs and charges other than those added to **your lifetime mortgage loan** on **completion**, these will start incurring interest from the first day of the month following the month in which they were incurred.
- 6.5 Interest is compounded monthly. This means that at the end of each month **we** will add the interest for the current month to **your lifetime mortgage loan** increasing the **total outstanding** (unless **you** have an **interest payment lifetime mortgage** and have paid interest by way of the monthly interest payment. If so, interest on the **interest payment part** will not be added in this way, though interest on the rest of the **lifetime mortgage loan** will be). **We** will then charge interest on this new balance. Details of the effect of this compounding on the balance can be seen in Section 8 of the **offer**.



- 6.6 At least once in every year throughout the **term we** will send **you** a statement showing how much interest **we** have added to **your lifetime mortgage loan** and the amount of **your total outstanding**.
- 6.7 Payments of interest on an **interest payment lifetime mortgage** must be made from an account in **your** name only.

## 7. Repaying your Lifetime Mortgage

- 7.1 **You** must repay **your lifetime mortgage** in full by paying **us** the **total outstanding** when the first of the following events in Conditions 7.1.1 to 7.1.3 below happens:
- 7.1.1 If **you** are the only borrower:
- (a) when **you** die; or
  - (b) (if sooner) when **you** leave the **property** permanently because **you** need **long-term care**.
- 7.1.2 If **you** are joint borrowers:
- (a) when **you** have both died; or
  - (b) (if sooner) when both of **you** leave (or the survivor of **you** leaves) the **property** permanently because **you** need (or the survivor of **you** needs) **long-term care**; or
  - (c) (if sooner) when one of **you** has left the **property** permanently because **you** need **long-term care** and the other dies.
- 7.1.3 If there is a **default**.
- 7.2 Whenever **you** repay the **total outstanding** **you** will have to pay any redemption fee shown in the **tariff**. **You** may also have to pay an **early repayment charge** if the **offer** provides for this.
- 7.3 When **you** have to repay the **total outstanding** under Condition 7.1.1 or 7.1.2 above **you** or **your** personal representatives will have a period of 12 months from the date the relevant event occurs in which to repay the **total outstanding**. If at the time **you** leave the **property** because **you** need **long-term care**, but do not know this is permanent, **you** must keep **us** informed and the 12 month period will commence from the date when **you** know that this position is permanent or where, based on the facts and circumstances, **we** consider (acting reasonably) that the position is permanent. If the **total outstanding** is to be repaid from the **proceeds of sale**, **you** or **your** personal representatives must notify **us** as soon as possible. Condition 8 applies to any sale of the **property** by **you** or **your** personal representatives.
- 7.4 If Condition 7.3 applies and the **property** is not sold within 12 months of the **total outstanding** becoming repayable, or if the event in Condition 7.1.3 occurs, **we** can take possession of the **property** and sell it to recover the **total outstanding**.
- 7.5 **You** must tell **us** if **you** leave the **property** because **you** need **long-term care** (or, if **you** are joint borrowers, both of **you** or the survivor of **you** needs **long-term care**).
- 7.6 **We** may ask **you** for reasonable information or evidence about why **you** are going into **long-term care**.

## 8. Sale

- 8.1 **You** may sell the **property** at any time (subject to the terms of this Condition 8) but if **you** decide not to transfer **your lifetime mortgage** under Condition 11 **you** must repay the **total outstanding** including any **early repayment charge** and any redemption fee in order for **us** to release the **mortgage deed** over the **property**.
- 8.2 **You** or **your** personal representative must give **us** prior notice of the intention to sell the **property** and provide **us** with such information as **we** may reasonably require including price, sale particulars, costs of sale and solicitor's details.

- 8.3 To ensure that the **property** is sold at the best price reasonably obtainable **we** may ask **our valuer** to value the **property**. If **we** do **you** will be given an opportunity to pay the **valuer's fee**, but if **you** do not, it will be added to the **total outstanding** and interest will be charged on it at the **interest rate**.
- 8.4 Where **you** or **your** personal representatives propose to market the **property** at a price which is less than the **total outstanding**, **you** must notify **us** in writing and **we** will agree a sale price with **you** or **your** personal representatives. **We** may review this price every 6 months and may ask **our valuer** to obtain a new valuation. If **we** do, **you** will be given an opportunity to pay the **valuer's fee**, but if **you** do not pay it will be added to the **total outstanding** and interest will be charged on it at the **interest rate**.
- 8.5 If **we** are unable to agree a sale price the matter will be referred to a surveyor who is acceptable to both of us. If a surveyor cannot be agreed upon within fourteen days, both parties agree to accept the appointment suggested by the President of the Royal Institute of Chartered Surveyors.
- 8.6 The surveyor will be acting as an expert and his decision will be final and binding in determining the asking price. Any sale must be at arms' length on the best terms reasonably available.

## 9. No Negative Equity Guarantee

- 9.1 Section 6 of the **offer** sets out the circumstances when the no negative equity guarantee operates where the **property** is sold so that **you** do not have to pay **us** more than the **proceeds of sale** regardless of how much the **total outstanding** is. It also sets out where this no negative equity guarantee does not apply and **you** will be liable for the whole of the **total outstanding**.

## 10. Early Repayment Charge

- 10.1 The **offer** sets out the circumstances in which **you** may have to pay **us** an **early repayment charge** and how this is calculated. Please read it carefully.
- 10.2 Early repayments on **your lifetime mortgage loan** must be made from an account in **your** name only.

## 11. Moving Property

- 11.1 If **you** want to move home without repaying the **total outstanding** **you** must first notify **us** in writing and obtain **our** agreement.
- 11.2 **We** will only agree to the change where **your** circumstances and the new **property** satisfy **our** then current lending criteria.
- 11.3 The maximum amount **you** can borrow depends upon **your** age (or the youngest of **you** where the application is in joint names), the **total outstanding** (which may have increased from the original amount borrowed), any redemption fee and the type and value of **your** new home. This may mean that **we** cannot lend **you** the same amount as **you** originally borrowed which, if **you** want to move home, could therefore require **you** to repay part of **your lifetime mortgage**.
- 11.4 Where the value of **your** new home is higher than the value of the **property** **you** will not have to repay any part of **your lifetime mortgage**. **You** may also be able to apply for a **further advance** (see Condition 12 below).
- 11.5 **You** will be required to sign a new **mortgage deed** over the new **property**. **You** must pay **our** legal fees and other charges set out in the **tariff**.

## 12. Further Advances

- 12.1 Once 6 months have past following **completion** of **your** initial **lifetime mortgage loan**, **we** will consider an application for **further advances** at any time where **you** have kept to the terms of **your lifetime mortgage**.
- 12.2 To decide whether or not **we** will agree to make a **further advance** **we** will apply **our** then current lending criteria. This includes such things as the type and value of properties **we** are willing to accept as security for **our** loans and the minimum and maximum amounts **we** are willing to lend.

12.3 **We** are not committed to making any **further advances**.

### 13. Transfer from Joint Names to a Sole Name

- 13.1 If there are two of **you** and **you** wish to transfer the **property** to only one of **you**, because the other no longer lives at the **property**, **you** must ask for **our** consent and **we** will charge a fee as set out in **our tariff** which will be added to the **total outstanding** and interest will be charged on it at the **interest rate**.
- 13.2 Where **you** have kept to the terms of **your lifetime mortgage** then, if **we** provide **our** consent, **we** will release whichever of **you** has left the **property** from **your** obligations to **us**.
- 13.3 The **mortgage deed** and these terms and conditions will remain in place for whichever of **you** remains at the **property**. In these terms and conditions references to **you** will then only apply to the remaining borrower.
- 13.4 As long as **you** are both alive and living in the **property**, **you** must remain joint owners of the **property**. **We** will not agree to a transfer of the **property** into the name of just one of **you**.

### 14. Transfer from a Sole Name into Joint Names

- 14.1 If **you** are the only owner of the **property**, but would like to add another person to the **lifetime mortgage** **you** must ask for **our** consent and **we** will charge a fee as set out in **our tariff** which will be added to the **total outstanding** and interest will be charged on it at the **interest rate**.
- 14.2 Where **you** have kept to the terms of **your lifetime mortgage** and the joint borrower is older than you, and **we** do give **our** consent, **we** will treat **you** as joint borrowers.
- 14.3 If **we** do give **our** consent **you** will be required to:
- 14.3.1 transfer the ownership of the **property** into **your** joint names; and
  - 14.3.2 both sign the documents required to put this arrangement into effect.
- 14.4 Where the other joint borrower is younger than **you** but still qualifies for a **lifetime mortgage loan** under **our** then current lending criteria, and if **we** agree, **you** may have to repay part of the **total outstanding** including any **early repayment charge** and any redemption fee. Whether or not **you** have to repay part of the **total outstanding** will depend upon **your** balance at the time and how much **you** would be entitled to borrow based on **our** then current lending criteria.

### 15. Non Owner Occupiers

- 15.1 If **you** would like someone to move into the **property** without them becoming a joint legal owner, **you** must first ask for **our** consent. **We** will give **our** consent as long as **you** do not create a lease or tenancy, **you** have kept to the terms of the **lifetime mortgage** and the new occupier agrees to sign a deed to acknowledge the priority of **our** interest in the **property**, using the form **we** will supply to **you**. The occupant must seek independent legal advice before signing the deed. These provisions would apply for example to any new spouse or civil partner. Alternatively **you** could apply for **your** spouse or civil partner to be added to the **lifetime mortgage** in accordance with Condition 14 above.
- 15.2 **You** must tell **us** as soon as someone living at the **property** turns 18 years old and must make sure that that person promptly signs a deed to acknowledge the priority of **our** interest in the **property** using the form **we** will supply **you**. That person must seek independent legal advice before signing the deed.
- 15.3 If **you** have someone living with **you** who is not an owner of the **property**, **you** must tell **us** if they move out permanently.

## 16. Your Obligations

16.1 During the **term you** agree to:

- 16.1.1 use the **property** as **your** main residence;
- 16.1.2 keep to all your duties to **us** under the **lifetime mortgage**;
- 16.1.3 keep the **property** in good repair and condition;
- 16.1.4 permit **us** (or anyone **we** may authorise) to inspect the **property** at any reasonable time on reasonable notice;
- 16.1.5 keep the **property** insured against loss or damage by fire and such other risks as is usual for residential property. The sum insured must be sufficient to restore the **property** to its present condition (including the cost of any demolition, planning applications and architects plans) and it must be index-linked, so that it is automatically increased annually to match inflation. The insurance company must be authorised by the Financial Conduct Authority;
- 16.1.6 comply with all local planning authority requirements affecting the **property**;
- 16.1.7 notify **us** immediately if **you** receive any notice relating to planning matters. If the notice reasonably requires **you** to do anything **you** must do it. If **we** (acting in good faith) require **you** to join with **us** in objecting to or contesting the notice, **you** must do so;
- 16.1.8 save with **our** prior written consent, use the **property** only as a private dwelling house for occupation by **you** and members of **your** immediate family;
- 16.1.9 notify **us** if **you** acquire any land adjoining the **property**. If **we** require a legal charge on the land as additional security for the **total outstanding you** must sign a suitable deed which **we** will provide for this purpose;
- 16.1.10 where the **property** is leasehold, **you** must punctually pay any rent and service charges payable for the **property** and **you** will tell **us** if **you** buy the landlord's interest or a share of that interest. If **we** require a legal charge on the interest or an assignment of the share as additional security for the **total outstanding you** must sign a suitable deed which **we** will provide for this purpose;
- 16.1.11 where there is a management company to look after any part of the **property**, and **you** own one or more shares in the company, **you** must give to **us** a charge on the shares. If **we** ever sell the **property**, **we** will also transfer the share or shares to the purchaser;
- 16.1.12 comply with all legal restrictions on the **property** or its use which are shown at the Land Registry or which otherwise affect the **property**.

16.2 **You** agree not to:

- 16.2.1 create or allow to exist any other mortgage on the **property** other than in favour of **us**;
- 16.2.2 allow anyone else to move into the **property** without **our** consent, as described in these terms and conditions;
- 16.2.3 sell the whole or any part of the **property** without **our** consent. If **we** give **our** consent, **we** may require **you** to repay all or part of the **total outstanding**;
- 16.2.4 create any lease or tenancy of the **property**, or any part of the **property** without **our** prior written consent;
- 16.2.5 alter the **property** in any way which would materially reduce its value without **our** consent;
- 16.2.6 leave the **property** for a continuous period of 6 calendar months or more without **our** consent;

- 16.2.7 do anything which will or is likely to invalidate insurance of the **property**;
- 16.2.8 become bankrupt, or enter into a composition, scheme or other arrangement with **your** creditors.

## 17. Our Rights

- 17.1 If **you** do not do something which **you** have agreed to do under the **lifetime mortgage**, **we** may do it, but **we** are not obliged to do so. In order to exercise **our** rights **we** may enter the **property** if necessary (for example, to carry out repairs or improvements or to carry out a valuation). If **we** do this **we** will not be regarded as a mortgagee in possession.
- 17.2 If **we** reasonably incur any costs or expenses in exercising **our** rights **you** must reimburse **us**. Until **you** reimburse **us**, **we** may treat those costs as amounts due under **your lifetime mortgage**. They will form part of the **total outstanding** and **we** will charge interest on these costs and expenses at the **interest rate**.
- 17.3 Section 93 of the **LPA** which restricts **our** ability to consolidate mortgages, shall not apply to the **mortgage deed**.
- 17.4 If **you** wish to do anything which needs **our** consent, **you** must pay **our** reasonable costs for considering **your** request. **We** will give **you** an opportunity to pay them and if **you** do not, they will be added to **your total outstanding** and interest will be charged on them at the **interest rate**.
- 17.5 If there is a **default**, as well as **our** other rights under these terms and conditions and the **mortgage deed** and at law generally, **we** shall have the following additional rights:
- 17.5.1 **we** will be entitled to immediate repayment of the **total outstanding**;
- 17.5.2 **we** may take possession of the **property**;
- 17.5.3 **we** may appoint a receiver of the **property** as described in Condition 18; and/or
- 17.5.4 **we** may sell the **property** under the power of sale given to **us** by the **LPA**. **We** may use the **proceeds of sale** to repay the **total outstanding**.
- 17.6 **Our** right to sell the **property** will continue even if **you** remedy the **default**.
- 17.7 If **we** sell the **property** then, subject always to Condition 9.1, **we** shall deduct the **total outstanding** (including selling costs and **our** expenses) from the **proceeds of sale**. **We** will pay any surplus to **you** or, if **you** have died to **your** estate.
- 17.8 If **we** choose not to or cannot exercise any of **our** rights **we** will still be able to enforce all of **our** other rights. If **we** do not immediately exercise a particular right, that will not stop **us** from doing so in future.
- 17.9 If **you** leave the **property** for a continuous period of 6 calendar months or more and **we** or a receiver take possession of it, **we** may remove any personal belongings for **you** which **you** leave behind. **We** may sell those belongings for **you** or store them on **your** behalf.
- 17.10 At any time after taking possession of the **property** or appointing a receiver (as described in Condition 18 below) **we** may give up possession or cancel the receiver's appointment. If **we** decide to do this, **we** will tell **you** as soon as possible.

## 18. Appointment of Receivers

- 18.1 The **LPA** gives **us** the right to appoint a receiver over the **property**. Where **we** appoint more than one they will act jointly and severally.
- 18.2 **We** may give any receiver **we** appoint any powers and authorities which **we** think are necessary or appropriate. The receiver may also exercise any right or power **we** have or which they are given at law. If **we** do this **we** will not be regarded as a mortgagee in possession of the **property**.
- 18.3 Any receiver **we** appoint will be regarded as **your** agent and **we** will not be responsible for their actions and omissions but **you** alone will.

- 18.4 **We** may agree reasonable payments to any receiver **we** appoint although **you** will be responsible for such payment of the receiver.
- 18.5 If **we** appoint a receiver **we** may take out any indemnity insurance reasonably required by the receiver in connection with his appointment. **You** will be responsible for the reasonable cost of this.

## 19. Power of Attorney

- 19.1 For the purpose of securing **our** interest in the **property** and exercising **our** rights set out in Condition 17, **you** appoint **us** and any receiver appointed by **us** to be **your** attorney to do the things set out in Conditions 19.2 to 19.4 below. The attorney will be legally entitled to do things on **your** behalf and the attorney's acts will bind **you** as though **you** had done them.
- 19.2 **You** agree to sign any document and do anything else which **we** reasonably request **you** to do in order to:
- (a) perfect or improve any security created or intended to be created for the repayment of the **total outstanding**;
  - (b) help the exercise or the proposed exercise by **us** of any of **our** powers under the **lifetime mortgage**;
  - (c) protect, manage or sell the **property** or any other security for the repayment of the **total outstanding**.
- 19.3 Under the power of attorney, **we** may execute any document or do anything which **you** are required to do under these terms and conditions.
- 19.4 **We** will be entitled to delegate **our** power of attorney to third parties where this is reasonably necessary to help the exercise of **our** powers.
- 19.5 **We** will not be liable for anything which is done under the power of attorney unless **we** have not used reasonable care in exercising the power.
- 19.6 **You** may not revoke this power of attorney until the **total outstanding** has been fully repaid.

## 20. Assignment

- 20.1 **We** can make a **transfer** to any person at any time. By entering into **your lifetime mortgage you** consent to any **transfer**, in law or in equity, without any further consent being required from **you**. Any **transfer** will be made subject to **your** existing rights under **your lifetime mortgage** and the **transferee** can only exercise **our** rights and enforce **your** duties to the same extent as **we** could before the **transfer**.
- 20.2 **You** agree that **we** may provide any actual or potential **transferee** and their advisers or rating agents any information about **you**, **your lifetime mortgage**, the **property**, **your** adherence to the terms of the **lifetime mortgage** and any other information which **we** reasonably consider appropriate in connection with the potential or actual **transfer**.

## 21. Variation

- 21.1 **We** may vary these terms and conditions in a manner which is not detrimental to **you** to reflect a change in the law or any code of practice to which **we** adhere or the way in which they are applied and will advise **you** at least 1 month before the change takes effect.

## 22. How we will act

- 22.1 Where **we** have a right to approve, agree or consent to anything under these terms and conditions, including where **you** have to obtain **our** permission to do something, **we** will act reasonably in exercising such right or considering any request for approval.

## 23. Law

- 23.1 These terms and conditions are governed by the laws of England and Wales.





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