Newbury Building Society
Mortgage Conditions 2026

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Newbury
Building Society

1. Understanding these conditions

In this section we explain what certain words and phrases used within these conditions, as numbered in this document, mean. If you do not understand these conditions, please ensure you ask your legal representative or Newbury Building Society.

Loans these conditions apply to

These **conditions** are for loans secured on residential property to individuals who will either live in the security property, or individuals or limited companies letting to an individual or set of individuals as their main residence. Any loans outside of these purposes are governed by our Commercial Conditions.

What we mean by "you"

Where we refer to "you" "your" and "yours" this refers to each **borrower** (and all of them together if there is more than one). This also includes:

- your personal representatives; and
- any person to whom title to the **property** passes.

Where there are more than one of you, each of you is fully responsible to us for the full **mortgage debt** and any other amounts under the **mortgage.** We can enforce our rights against any or all of you.

What we mean by "us"

Where we refer to "us", "we" or "our" we mean Newbury Building Society and any **transferee.**

Definitions and interpretation

In these **conditions** certain other words and expressions shown in bold have special meanings. We set out below what these meanings are.

"additional borrowing"	Any further money we agree to lend to you on the security of the **property** after **completion** of the first **loan** we made and which was not a retention from that **loan** or a staged release of that **loan**.
"application"	The application information relating to the **mortgage** which was supplied by you or on your behalf.
"BOE Base rate"	The rate decided by the appropriate committee of the Bank of England (or any successor authority) from time to time as being the Bank of England base rate. If for any reason it is not possible to determine such rate, the **BOE Base rate** will be whatever other rate we reasonably decide is the nearest comparable rate at the time.
"borrower"	As the case may be: (i) the person or persons to whom we make the loan and who is/ are named in the offer; and / or (ii) the **limited company** to whom we make the loan and which is named in the offer.
"business day"	Any day other than Saturday, Sunday, or a day which is a public holiday or bank holiday in England and Wales.
"buy to let mortgage"	A **mortgage** where the **property** is to be let. The **offer** will state if you have a **buy to let mortgage**.
"capital repayment basis"	Where the **monthly payments** for all or a part of the **loan** include both an amount towards the capital **(mortgage debt)** and an amount towards the interest charged by us. The **offer** will state if the **loan** or a part is on a **capital repayment basis.** We may refer to this as 'capital and interest'.
"concession"	A temporary or limited relaxation granted by us, at our sole discretion, in respect of any of our rights or any obligation owed by you under the **mortgage.**
"conditions"	These mortgage conditions as numbered in this document, and amended from time to time in line with their terms or by mutual agreement.
"completion"	The date on which a **loan** is first released to you or your legal representative.
"expense", "expenses"	The reasonable costs and expenses we incur in: a) providing a service in connection with the **mortgage** or the **property**; b) collecting or recovering all or any of the **mortgage debt**; c) bringing or defending any legal proceedings relating to the **mortgage**, the **mortgage debt** or the **property**; d) protecting, or enforcing any security for the **mortgage debt** or any **guarantee**; e) considering any request for agreement or approval as required under the **mortgage**; f) insuring the **property** in accordance with the **mortgage**; g) remedying any breach of the **mortgage** by you; h) exercising any of our rights or powers under the **mortgage** or under law; i) releasing the **property** or any other security we hold for the **mortgage debt** or any **guarantee**. Our expenses will include fees, costs, charges, and expenses which we have to pay to third parties. We may charge some or all of our reasonable expenses by way of those fees set out in the **tariff of charges** but we are not obliged to do so and may instead choose to charge the direct costs paid.
"guarantee"	A legal commitment to us to pay off all or part of the **mortgage debt** given by someone who is not a **borrower**. We call this a 'personal guarantee' in relation to a limited company loan.
"guarantor"	A person who gives us a **guarantee.** All **limited company** mortgages require **personal guarantees** from each director and each shareholder of the **limited company** at the date of the mortgage deed. We may require replacement or additional guarantors to be provided as set out in these conditions.

"interest only basis"	Where the **monthly payments** for all or a part of the **loan** do not include an amount towards the capital borrowed but only an amount towards the interest. The **offer** will state if the loan or a part is on an **interest-only basis**. The loan may be converted from an interest only basis in whole or in part as set out in **condition 6**.
"interest rate"	The rate or rates of **interest** which we charge on the **mortgage debt** as set out in the **offer.** These may change under **conditions 9 and 10** and as set out in the **offer.**
"limited company"	A legally distinct business entity (set up as either limited by shares or by guarantee) whose liability is restricted to its own assets. It is registered with Companies House, separate from its directors and shareholders.
"loan"	The first loan we make to you which is secured on the **property** (including any retentions from that **loan** or any staged releases of it) and is outstanding at any given time, and any **additional borrowing.**
"LPA"	The Law of Property Act 1925 and subsequent amendments.
"memorandum & articles of association"	**Memorandum of Association:** document setting out a company's legal identity, scope and permissions at incorporation. **Articles of Association:** internal rules of a company agreed by directors and shareholders, detailing governance procedures.
"member"	A member of a building society under the **Rules**.
"monthly payment"	The amount which you must pay us each month as set out in the **offer** and confirmed after **completion**. We may change the **monthly payment** under **condition 6**.
"mortgage account"	An account that we open in our records in respect of each **loan** and which will record the balance of the **mortgage debt** relating to that **loan**.
"mortgage debt"	All of the money which you owe us under the **mortgage** at any time. This will include: a) the amount outstanding of each **loan**; and b) any unpaid interest, fees, **expenses** and any early repayment or other charge.
"mortgage deed"	The document under which you sign to give us security over the **property**, and which incorporates the **conditions**.

"mortgage"	The legal agreement between you and us and which is set out in: • the declarations provided by you or on your behalf in the **application**; • the **conditions**; • the **offer**; • the **mortgage deed**; • any other **security documents**; • the **tariff of charges**; and • the **Rules** (so long as they are applicable to you as a borrowing **member**). In each case this includes any changes you and we agree, or which we are entitled to make. If the offer conflicts with these **conditions** or any other document set out above, the offer will take priority. The Rules will rank in priority behind all the rest of the above documents.
"offer"	Either: • the written offer by us to make any **loan** to the **borrower;** or • when we replace or vary a **loan**, any relevant written offer by us in each case including any conditions incorporated into it and also any changes to the **offer** or any replacement **offer** we make in writing and which we notify to you.
"a notice or notices"	A **notice** is a formal communication relating to the property that may require you to take action or could affect the property's value, use, ownership or occupation. Examples could include (but not limited to): planning enforcement, building regulation, local authority repair/maintenance/improvement, environmental/ contamination; breach of lease conditions; compulsory purchase.
"payment day"	The day in each month on which you must make the **monthly payment** up to and including the 28th day. You will select this in the **application**. Each **payment day** will occur on the same date of each month. The **payment day** may be changed under **condition 6**.
"product period"	The period during which any fixed, discounted or **BOE Base Rate** tracking **interest rate** applies as described in the **offer.**
"property"	The **property** (including each and every part of it) described in the **mortgage deed** over which we hold or will take a legal charge as security.

"related person"	Means any of the following: (a) Where the borrower is an individual: (i) your spouse or civil partner, or any person with whom you have a relationship equivalent to marriage or civil partnership; (ii) your parent or grandparent; (iii) your child or grandchild; or (iv) your brother or sister. (b) Where the borrower is a **limited company**: (i) any director or shadow director of the **limited company** from time to time; (ii) any person holding 25% or more of the issued share capital of the **limited company** from time to time; (iii) in the case of a person referred to in paragraph (i), any person connected with them within the meaning of section 252 of the Companies Act 2006; and (iv) in the case of a person referred to in paragraph (ii), any person who would fall within paragraph (a) above in relation to that person.
"Rules"	The Rules of the Newbury Building Society (or those of any **transferee** which is a building society) from time to time in effect.
"secured liabilities"	The **mortgage debt** and any other money, indebtedness or liabilities which you or any of you owe or may owe to us from time to time on any account and in any manner (whether individually or with others) except for any money payable under any agreement regulated by the Consumer Credit Act 1974 which does not expressly provide that the agreement is secured by the **mortgage deed.**
"security document"	Any document creating a security interest, encumbrance or charge which we hold from you at any time which secures the **mortgage debt**. This includes the **mortgage deed**.
"Standard Variable Rate", "SVR"	The applicable Standard Variable Rate (or any equivalent replacement to this we introduce) as identified in the **offer** and varied from time to time in line with **condition 9** (or the equivalent rate of any **transferee** if any **transferee** has such a rate and uses it following notification under **condition 9**).
"tariff of charges"	Our tariff of fees and charges as varied from time to time.
"term"	The period over which the **mortgage debt** must be repaid as set out in the **offer**, as this may be changed by mutual agreement.
"transfer"	A transfer, assignment, mortgage, sale or other disposition of rights from Newbury Building Society to another lender.
"transferee"	Any lender who we transfer your mortgage to, who will be entitled to exercise all or any of our rights under or in respect of the **mortgage**.
"valuation"	A report prepared for us which we will use to assess the condition and/or value of the property and the suitability of the property to act as security for the mortgage debt.

"waiver"	A deliberate decision by us to give up or release a specific right or remedy which we hold under the **mortgage**, but only to the extent and for the period (if any) expressly stated by us at the time.
"website"	www.newbury.co.uk or any other website we tell you about.
"year"	A period of 365 days (or 366 days in a leap year).

Other points to note in reading these conditions

Where these **conditions** refer to:

- something or someone in the singular this will include the plural, and the other way around;
- any law, it applies to all amendments and replacements of that law in force from time to time.

2. Communicating with each other

In this section we explain how we will communicate with each other.

How we give you notice

If these **conditions** require notice to be given to you by us, we will do so in writing by using any of the contact details you have given us, including your postal address, the address of the **property**, any telephone number(s) or any email address, to contact you.

Any communication sent by first or second class post addressed to you at the property or such other correspondence address which you have notified to us will be deemed to have been received by you when it would arrive in the ordinary course of post. We are not responsible for any delay in the postal service. Where we become aware that a postal communication has not been delivered to you, we will endeavour to contact you by another method.

Any communication sent by email or mobile messaging will be deemed to have been received by you on the day it is sent, unless we receive a notice that it has not been delivered.

You must ensure that any contact details you have given us are accurate and that you let us know promptly of any changes. Remember communications may contain confidential information and if anyone else has access to your email inbox or mobile telephone messages they may be able to read these.

If there is more than one of you, a notice addressed to just one of you will count as a notice to all of you, except where we have agreed addresses for correspondence with one or more of you, in which case we will send an additional notice to that address. Where a notice relates to a demand for immediate repayment of the full **mortgage debt** or to the commencement of enforcement action or possession proceedings, we will take reasonable steps to give that notice to each of you separately.

3. The mortgage deed

*You will sign a **mortgage deed** charging the property to us. This section explains certain aspects of how our security works.*

The security created by the **mortgage deed** is the only security which is allowed to exist over the **property** without our written agreement.

The **mortgage deed** is a continuing security for the **secured liabilities**. The **mortgage deed** secures all of the **secured liabilities** and will remain in place as a continuing security until the **secured liabilities** have been repaid in full. This means that even if the amount you owe us reduces or reaches zero at any point during the term, for example, as a result of overpayments, the **mortgage deed** will continue to secure any further sums which become due to us under the **mortgage**. We will not be obliged to discharge the charge we hold over the property at HM Land Registry until all of the **secured liabilities** have been repaid in full.

We may at any time combine (consolidate) the **mortgage deed** with any other security we hold from you for any money you owe us, whether or not you are in breach of your obligations under the **mortgage** or under any other security. This means that we may insist that the **mortgage deed** and any such other security must be redeemed together at the same time, and we may refuse to accept repayment of one without the other. Section 93(1) of the LPA (which, if it were not excluded, would prevent us from consolidating in this way) does not apply to the mortgage deed.

When you sign the mortgage deed, you are also giving us security over certain rights and interests connected to the **property**. This means that if any money, compensation, insurance proceeds or other value becomes available because of your ownership of the **property**, those rights will support our mortgage in the same way as the **property** itself. This helps protect our security if something affects the **property**'s value or ownership.

This includes:

- any rights you have under agreements, warranties or guarantees relating to the **property**;
- any rights to claim compensation or damages relating to the property (for example, if you were misled about the **property**'s value or someone causes damage to it);
- any shares or membership rights you hold in a management company, residents' company or similar organisation connected with the **property**;
- any rights, privileges or easements benefiting the **property**;
- any compensation payments or insurance proceeds relating to the **property**;
- any right to extend a lease, obtain a new lease, buy the freehold or acquire any other interest in the **property**; and
- any additional freehold or leasehold interest in the property that you acquire after signing the **mortgage deed**.

Where there is more than one **borrower** and you hold the **property** (or any part of it) as beneficial tenants in common, each of you separately charges your respective beneficial share and interest in the **property** to us as security for the **secured liabilities**.

You will take any action which we reasonably request you to in respect of these rights. If we request, you will sign a document assigning any of these rights to us as security for the **secured liabilities**. This document will be prepared by us and may incorporate these **conditions**.

If, when the **property** is sold, the net proceeds are not enough to repay all of the **secured liabilities**, you will pay the difference to us immediately. Any difference that has not been repaid will bear interest at the **interest rate** until the **secured liabilities** are paid in full.

Interest will be charged at the **interest rate** (or the rate which applies to the relevant **secured liabilities** if not part of the **mortgage debt**) after any court order we seek requiring you to pay the whole or any part of the remaining balance. We will not release our charge from HM Land Registry until the full balance is repaid.

4. Purchase money

This section explains what our requirements are in respect of the purchase price where you are purchasing the property.

Use of purchase funds

If you are using the **loan** to purchase the **property**:

- the purchase price must be that stated in the sale contract for the **property** which has been supplied to the legal adviser who reports to us on the title to the **property**;
- the purchase price must not in any way be reduced nor must any part of it be left outstanding on **completion**;
- the full purchase price must pass through your legal adviser's client account;
- unless we have given our express written agreement (i) you must provide the balance of any purchase money from your own resources and (ii) the balance must not be provided by any other loan, whether secured on the **property** or not, and it must not be provided by anyone else in return for any rights in the **property**;
- you must not be purchasing the **property** as a nominee or trustee for anyone else, nor must anyone else be given any option or other right to buy it from you, unless we have agreed in writing.

5. Valuations

This section explains more about how valuations of the property are treated.

The original valuation

The purpose of any **valuation** is only to help us to decide if the **property** is an adequate security. You should not rely on the **valuation** for any purpose at all.

If we give you a copy of a **valuation** it is for information only. We are not providing a warranty for the value of the **property** or its condition or that any price you are paying is reasonable.

The **valuation** may indicate that certain works have to be carried out on the property. If the **offer** does not specify a particular period within which these works must be carried out, they must be carried out as soon as practical after **completion**. If a time period is specified in the **offer**, the works must be carried out within that period.

If the **offer** states we will hold back some of the **loan** on **completion** by way of retention or staged release until work specified is carried out or some other specified conditions are satisfied, that money will not be released until the work has been carried out to our satisfaction or the conditions otherwise satisfied. We will send that money directly to you or your conveyancer once we are satisfied the work has been carried out or, as the case may be, the other conditions have been satisfied.

Further valuations

In addition to any re-inspections required, or other conditions to be satisfied, prior to the release of funds as set out in the **offer**, we may, at our cost, obtain further **valuations** of the **property** from time to time during the **term** to ensure it remains an adequate security. You will grant our valuer reasonable access to the **property** on reasonable notice in order to carry out a **valuation**. Any such valuations are for our benefit only. We may choose to disclose them to you but we are not obliged to do so. If we do give you a copy of such a further **valuation** please note that such reports are subject to the same terms as applied to the original **valuation** referred to above.

6. Payments

This section sets out how you will repay the mortgage.

Repayment of the mortgage

You agree to repay the loan with interest at the **interest rate** by making the **monthly payments** over the term and all other amounts payable under the mortgage.

In any case, you agree that the **mortgage debt** must be repaid in full on or before the last **day** of the **term**.

Monthly payments

You will make the **monthly payment** to us on each **payment day**. Where the **payment day** is not a **business day** the **monthly payment** will be collected on the next **business day**.

You will make each **monthly payment** by Direct Debit from an account in your name (where there is more than one of you, in the name of at least one of you) nominated by you and approved by us, or by any other method agreed by us. Where the borrower is a **limited company,** the Direct Debit account must be in the name of the **limited company** or **guarantor** and approved by us. Payments from the personal accounts of any director, shareholder or other individual will not satisfy this requirement unless we have agreed otherwise in writing.

Any money which you pay us will be treated as received by us only when we receive the money in cleared funds, for example a debit card or faster payment. We may post payments to the **mortgage account** sooner than when funds clear, for example when a cheque or direct debit is received, but these will be reversed on the **mortgage account** and be treated as never having been received should they not clear.

For the purpose of calculating the **monthly payment** we will assume that each month is an equal 12th part of the **year**.

After **completion**, we may require you to make an adjusted payment to reflect interest for the period between **completion** and the first **payment day**. This may be more or less than your usual **monthly payment**. We will write to you to let you know the exact amount involved.

Capital repayment basis

If all or any part of your **loan** is on a **capital repayment basis**, each **monthly payment** will include both an amount in payment of the capital part of the **mortgage debt** and an amount in **payment** of interest for the relevant month. In these circumstances we will calculate the monthly payment to ensure the capital is repaid over the term assuming you keep up the **monthly payments**. If only part of your **loan** is on a **capital repayment basis** then this applies only to the relevant part.

Interest only mortgages

If all or any of your loan is on an **interest only basis** the following will apply: Each **monthly payment** will only include an amount in payment of interest for the relevant month. The capital element of the **mortgage debt** (and any other amounts owed under the mortgage) must be repaid at the end of the term (or sooner if the **mortgage debt** becomes repayable under these **conditions**).

You must have in place before **completion** and maintain until the **loan** is repaid a credible repayment strategy to fund the repayment of the capital. You must review this strategy on a regular basis to ensure it will be sufficient to repay the relevant amount and you must inform us of any changes you propose making to the repayment strategy in good time before you make them. Please remember it is your responsibility to repay the capital whether or not the repayment strategy produces the required amount.

Where you are a **limited company** or individual borrower with a buy to let mortgage on an interest only basis, we acknowledge that the sale of the property at the end of the term is a recognised repayment strategy. However, we may require evidence at reasonable intervals during the term that the current and projected value of the property, relative to the outstanding **mortgage debt**, remains sufficient to support this strategy. If we reasonably consider that this is no longer the case, the provisions regarding conversion to a capital repayment basis set out above will apply.

You must promptly provide us with any evidence which we reasonably require of your repayment strategy (and, where relevant, that you are making the appropriate payments to your repayment strategy) and that it is going to be sufficient to repay the **loan** in full at the end of the **term**.

We can convert all or part of your **loan** onto a **capital repayment basis** in the following circumstances:

- if you do not properly respond to our requests for evidence of your repayment strategy;
- if, having regard to the evidence supplied during the term, we reasonably consider that the repayment strategy leaves a material risk the **mortgage debt** will not be repaid at the end of the term; or
- if you have not kept up payments on your repayment strategy.

We will only do this if it is reasonable to do so having regard to your individual circumstances (including your ability to afford any increased **monthly payments**). We will give you at least 30 days' notice of any such conversion.

If only part of your **loan** is on an **interest only basis** then the following will apply only to the relevant part.

Application of payments

We will apply any payment made by **you** in the following manner within each **mortgage account**:

- first to any arrears of **monthly payments**;
- then to pay any unpaid **expenses**;
- then to any unpaid interest;
- with the remaining amount being used to pay outstanding capital.

We can change this order in any manner which is not detrimental to you (or to any method which would not conflict with any legal or regulatory requirements) by giving you at least 30 days' notice.

Changes to the monthly payment

The amount of the **monthly payment** is set out in the **offer**. We may vary the amount of the **monthly payment** from time to time by mutual agreement or for any of the following reasons:

- changes to the **interest rate**;
- changes to the **mortgage debt** (including any retentions from the original **loan** or staged releases of it, **additional borrowing**, overpayments or one-off early repayments applied to capital);

- mutually agreed changes to the **term**;
- changes to the **payment day**;
- changes to ensure the **mortgage debt** is fully repaid by the end of the **term** (but we will not change the **monthly payment** to reflect any arrears of **monthly payments** other than by mutual agreement). An example of the type of change we might make in this way are minor adjustments which we may make on an annual basis to make sure your exact payments and balances are aligned; and
- the granting or withdrawal of any **concession**.

Where monies under the **mortgage debt** are not recovered through the **monthly payments** you will need to make sure these items are all repaid at the end of the **term**.

If we calculate the amount of a new **monthly payment**, we will still be entitled to demand immediate payment of any amount of the **monthly payment** and other money which **you** owe at the time of the recalculation. In making a recalculation we are not agreeing to refrain from taking any action which we could otherwise take under the **mortgage**.

We will give you at least 14 days' notice of any changes to the **monthly payment.**

Changes to the payment day

We may change the **payment day** from time to time after the first **payment day** for any of the following reasons:
- to accommodate changes in technology or our systems; or
- to accommodate the technology or systems of a **transferee**.

We will tell you of the change. The notice will be given a reasonable amount of time before the change takes effect and this will be at least 30 days.

You can ask us to change the **payment day** after the first **payment day**. We will act reasonably in considering such a request from you. We will generally require a minimum of 15 **business days'** notice of the new requested **payment day** if we agree to it so that we have time to set it up, otherwise the change may take effect from the following month.

7. Early repayment
This section deals with making early repayments of all or part of the loan.

You may make early repayment of all of the **mortgage debt** (and, where permitted under the **offer** and subject to any requirements specified in the **offer**, make overpayments or early repayments of part of the **mortgage debt**) at any time before the end of the term. The **offer** describes how to do this and whether any early repayment charge or other fees will be payable.

8. Interest
This section sets out how we charge interest on the mortgage.

The **interest rate** is an annual rate. Interest will be calculated at the interest rate on the **mortgage debt** on a daily basis. Interest for a month is debited on the first of each month. Interest debited in a month will be adjusted to reflect any payments made and any extra interest incurred during the month and the resulting interest is only added to the outstanding balance for the purpose of calculating the **mortgage debt** and resulting interest (capitalised) at the end of the month.

The **interest rate** charged will be as set out in the **offer** and in the case of variable rates will vary from time to time as set out in these **conditions**.

If the **interest rate** is variable, it may change before, on or after **completion** as provided in these **conditions**. There may be more than one **interest rate** applying to different parts of the **mortgage debt** as described in the **offer**. The requirements of this **condition** apply to each relevant **interest rate**.

We will debit the **loan** to the **mortgage account**, along with any fees or other expenses added to it on **completion**. If the **loan** is to be made by staged releases, or if any amount is retained by us at **completion**, we will debit the **mortgage account** with each staged release or amount retained when we pay the relevant amount to you or your legal adviser.

Interest will be charged from the date on which we debit the **account** with a **loan** and/or any fee or charge as relevant (or, in the case of **expenses**, from the date that they become payable by you under **condition 11**). We will charge interest up to the date you repay the **mortgage debt**.

Payments made to reduce the **mortgage debt**, including those that form part of your **monthly payment**, will reduce the amount on which we calculate interest from the date cleared funds are paid to the **mortgage account**.

Any interest which is not paid on the relevant **payment day** will itself form part of the **mortgage debt** and bear interest from when it is capitalised as described above until it is paid.

We will continue to charge interest at the **interest rate** after any court order requiring you to pay the whole of any part of the **mortgage debt**.

If the **mortgage debt** is unpaid at the end of the **term** interest will continue to be charged at the **interest rate** in the same manner as above.

Changes to interest calculation

If we change **our** systems and procedures, then we may change the method we use to apply and calculate interest. Any such change must not be detrimental to you. We will tell you at least 30 days before any such change.

A **transferee** may change the method of calculating interest described in this **condition 8** to reflect these procedures and will tell you of the same at least 30 days before any such change. Any such change must not be detrimental to you.

9. Changes to the Standard Variable Rate
Your interest rate may be linked to the Standard Variable Rate for some or all of the term. Your offer will tell you this. This section sets out how and when we can change our standard variable rate.

We can reduce the **Standard Variable Rate** at any time with or without notice to you.

We can increase the **Standard Variable Rate** at any time if we reasonably believe the change is needed for any one or more of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):
- to respond to changes in the law or decisions of the courts, regulators or an Ombudsman;
- to meet our regulatory requirements;
- to reflect new or revised industry guidance or Codes of Practice designed to enhance
- consumer protection;
- to respond to any changes in the **Bank of England Base Rate**, or mortgage, savings or investment rates generally;

- to respond to changes in the legitimate costs in providing or funding the **loan**.

Any such change will be proportionate to the reason(s) for making it.

If the **offer** states that the **interest rate** is subject to a minimum rate or is calculated as a discount to the **Standard Variable Rate** for some or all of the **term**, in no circumstances will the **interest rate** fall below any minimum rate set out in the **offer**.

We will tell you by notice under **condition 2** if we have changed the **Standard Variable Rate** (unless you are in a **product period** and your **interest rate** is fixed or tracks some other rate than **Standard Variable Rate**).

If we notify you of any increase in our **Standard Variable Rate** in this way and you do not want to accept the increase, then (without limiting your other rights) you may repay the **mortgage debt** in full subject to the terms of your **offer** (including the payment of any early repayment and other charges). For the avoidance of doubt the increase in the **Standard Variable Rate** will take effect in line with the notice given to you.

The **monthly payment** will be recalculated following a change in the **interest rate** as set out in **condition 6**.

A **transferee** may use its own **Standard Variable Rate** in place of the then current **Standard Variable Rate** but the **transferee** may not increase the **interest rate** purely by virtue of replacing it, unless and to the extent any such increase reflects one or more of the reasons for which the **interest rate** may be increased as referred to above in this **condition 9**. The **transferee** will notify you at least 30 days prior to any such replacement. This new rate will become the **Standard Variable Rate** and may be varied in line with this **condition 9**.

10. Changes to BOE Base Rate
This section sets out how we will make changes to any interest rate which is a tracker rate linked to the Bank of England Base Rate.

If the **interest rate** is described in the **offer** as linked to **BOE Base Rate**, during the relevant **product period** the **interest rate** will change to reflect any changes to the **BOE Base Rate** from time to time save that in no circumstances will the **interest rate** fall below any minimum rate set out in the **offer**.

The **offer** will set out when **interest rate** changes will take place where the **BOE Base Rate** changes.

The **monthly payment** will be recalculated following a change in the **interest rate** as set out in **condition 6.**

If any of the **term** remains after the relevant **product period** has expired the **interest rate** will be linked to the **Standard Variable Rate** as described in the **offer** and this may change as described in **condition 9**.

11. Expenses
This section explains how we can charge fees and expenses to your mortgage account for matters which arise during the life of your mortgage.

You must pay our **expenses** in full within 14 days of you receiving our written request for payment. If you do not pay an **expense**, we will debit the **expense** to the **mortgage account** and it will form part of the mortgage debt. Interest will be charged on it as described in **condition 8.**

We will use reasonable efforts to give you prior notice of expenses incurred by us, but this will not always be possible.

Where our agreement is required to anything set out in these **conditions,** we may charge a reasonable fee for considering your request, whether or not we agree to it.

Tariff of Charges

We recover some of our **expenses** by charging fees as set out in the **tariff of charges**. A copy of the current **tariff of charges** is provided with the **offer**. You may also obtain a free copy of the **tariff of charges** from our **website** or at any time on request. We will also send you a copy of the **tariff of charges** if there have been any changes to it.

We can reduce or abolish a fee shown in the **tariff of charges** at any time with or without notice.

Where a fee mentioned in the **tariff of charges** relates to our **expenses** we can increase or introduce a fee for one or more of the following reasons (which may relate to circumstances at the time or which we reasonably anticipate applying in the future):
- to respond to changes in the legitimate costs (including tax) we incur in providing the service, or carrying out the function, to which the fee relates;
- to reflect any changes in the law or regulations or to respond to a decision by a court,
- ombudsman or regulator;
- to respond to new or revised industry guidance or Codes of Practice designed to enhance customer protection;
- to reflect the costs which we reasonably incur in providing relevant services and carrying out new functions.

Any such new or increased fee will be proportionate to the reason for its introduction or increase. Before we increase or introduce a charge we will notify you at least 30 days before it takes effect.

12. Insurance
As the property is our security for your loan you have to insure it. This section sets out your responsibilities in this respect.

The **property** must be insured at your cost from **completion** and for the rest of the **term**. The minimum amount of cover must be the reinstatement value of the **property** (index linked) and the insurance must cover all loss and damage from such risks as we reasonably require including without limit against fire, explosion, storm, earthquake, flood, subsidence, heave, landslip and malicious damage. The insurance must also meet any extra conditions mentioned in the **offer.**

We are not under any requirement to check the adequacy of the insurance cover. The insurance must be maintained either:
- by you; or
- by a landlord or other party where required under the terms of a lease.

In any event you must ensure that such cover is maintained throughout the **term** and that:
- our interest is noted on the cover;
- where you are putting in place the insurance, you keep to all terms of the insurance and pay all premiums;
- you must provide us with reasonable details of the insurance and evidence satisfactory to us (acting reasonably) that it is in force whenever we reasonably ask you to;

- you must tell us if you change the insurance in any way;
- you must not do anything which could prevent or reduce an insurance payout, or make it harder or more expensive to keep the **property** insured. This may include failing to comply with the terms of the insurance policy or not providing the insurer with information they reasonably require. If you have a **buy to let mortgage** (or you are letting the **property** with our agreement) you must inform your insurer that you are letting the **property.**

You must tell us promptly of any damage that may give rise to a claim under the insurance. We have full power to settle and adjust claims under the insurance with the insurer. We will act reasonably in doing so.

Insurance proceeds

You will tell us if you receive any money under the insurance, hold any such money on trust for us and promptly pay it to us if required as set out below.

Unless we have demanded repayment of the **mortgage debt** under **condition 14,** any money payable under the insurance will be used as you choose (subject to any requirements of the insurers) either:

- to make good the loss or damage in respect of which the money is payable; or
- to reduce or repay the **mortgage debt.**

If we have demanded repayment of the **mortgage debt** under **condition 14** you will pay the money to us to reduce or repay the **mortgage debt.**

Failure to maintain insurance

Where you fail to maintain or obtain insurance in line with this **condition 12** we may obtain insurance and pay any premiums and other costs, which for the avoidance of doubt will be **expenses** debited to the **mortgage account.**

If we try to insure the **property** in this way but cannot find an insurer who will insure it on acceptable terms, we may instead take out a policy to cover us against the risk of our suffering financial loss because the **property** is uninsured. The reasonable costs of this policy will, for the avoidance of doubt, be **expenses** debited to the **mortgage account.**

13. The property
This section sets out your other responsibilities to us in relation to the property.

Occupying the property

You must occupy the **property** as your main residence unless you have a **buy to let mortgage** or we have given you our temporary written agreement to let.

You must have vacant possession of the whole **property** when the mortgage reaches **completion**. This means that you must be entitled to take full possession of the **property,** free from any occupiers who do not have a right to remain there. You must tell us before **completion** of anyone who is or will be 17 years old or greater at **completion** and will be living at the **property** with you, who has not signed the **mortgage deed.** Any such person must sign a document in our standard form making any interest they have in the **property** subject to the **mortgage deed.**

What you must do

You agree that you will:

- keep the **property** in good repair and condition (and put it into good repair and condition if it is not at any time);
- where we require you to carry out any works to the **property,** do so in line with any timescale we have reasonably required;
- keep all the utilities and any testing systems on the **property** in good working order;
- allow us to enter the **property** on reasonable prior notice to inspect it to carry out work which we have requested you to do and which you have failed to do within a reasonable time;
- keep to all restrictions, covenants and laws which affect the **property** or its use including without limit any planning or other local and public authority requirements and any requirements on the title to the **property**;
- if you receive any notices about the property, send us a copy within a reasonable time and comply with the requirements of the **notice** and our reasonable requirements in relation to it.
- pay all taxes, rates, charges and other money payable for the **property** on time and produce the receipts to us with a reasonable period if we ask you to; and

- If the property is leasehold:
  - make sure you fulfill all your responsibilities as outlined in the lease agreement;
  - send us a copy of any legal notice which you give in respect of the lease;
  - inform us of any proposal to extend the lease or to convert the leasehold title to commonhold or acquire the freehold, and obtain our prior approval;
  - if the term of the lease is extended or if you acquire the freehold, sign a new **mortgage deed,** incorporating these **conditions**, giving us a legal charge over the extended term or the freehold interest if we ask.

What you must not do

You agree not to do any of the following without first obtaining **our** written agreement:

- materially alter the structure of the **property** or add anything to it or demolish all or any material part of the **property** or change its use. Where necessary, you must also obtain the approval of the local planning authority to the changes;
- carry on (nor allow to be carried on) any trade or business at the property, except that where you have a buy to let mortgage, the letting of the property in accordance with this **condition 13** shall not constitute a trade or business for the purposes of this restriction;
- grant or agree to grant any lease, tenancy or licence of the property (and any right you have under the **LPA** to grant leases does not apply), except where you have a buy to let mortgage and are granting a tenancy in accordance with the buy to let requirements in this **condition 13**;
- create or allow to exist any security over the **property** other than the **mortgage deed**;
- apply for any loan or grant in respect of the **property**;
- dispose of, share or part with possession of the **property** or any of it (except where you have a buy to let mortgage and are letting the **property** in line with this **condition 13**);
- if the **property** is leasehold, surrender the lease, agree to any changes in its terms or break any of its terms so as to allow the landlord to forfeit the lease;
- if the **property** is subject to a lease, accept or grant a surrender of that lease or agree to change any of its terms;
- leave the **property** empty for more than 6 months;
- allow any person other than you to be registered as the proprietor of the **property**;
- knowingly cause or allow the property to become contaminated land under relevant law; or

- negotiate, settle or waive any claim for loss, damage or compulsory purchase in respect of the **property**.

Getting our agreement

Where **you** are obliged to ask for our agreement under this **condition 13**, we will act reasonably in deciding whether or not to give it and if so on what conditions.

Management companies and shared ownership leases

If you hold a share in a management or residents' company or similar association because of your interest in the **property**, you will if required by **us** deposit any share certificate with us together with a signed share transfer form with the name of the transferee left blank.

We will be entitled to do any of the following things on your behalf:
- transfer the share to any person to whom we have sold the **property** under our power of sale and receive any consideration for that transfer;
- exercise any voting rights as a result of our having taken possession of the **property**.

Buy to let mortgages - additional requirements

The following additional requirements apply where you have a **buy to let mortgage**.

The **property** must not be occupied by you or any **related person** at any time during the **term** without our written agreement. The **property** must only be let in line with the requirements set out in the offer.

You must act as a reasonably prudent landlord in enforcing your rights under any tenancy agreement and in not waiving, releasing or varying these rights.

If you receive a deposit from a tenant in connection with an assured tenancy of the **property**, you must:
- protect that deposit in a government-approved tenancy deposit scheme in accordance with section 213 of the Housing Act 2004 within the period required by that Act;
- comply with all prescribed requirements as to the information which must be provided to the tenant in connection with that protection, in accordance with section 213(5) of the Housing Act 2004 and any regulations made under it;
- maintain that protection for the duration of the tenancy to which the deposit relates; and
- notify us in writing as soon as reasonably practicable if any claim is made against you by a tenant in connection with your failure or alleged failure to comply with section 213 of the Housing Act 2004.

Buy to let mortgages where the borrower is a limited company - additional requirements

The following additional requirements in this section apply where the borrower is a **limited company**. Where there is any conflict between these requirements and the other provisions of these **conditions**, these requirements shall take priority.

Corporate capacity and authority

The **borrower** must have the power and capacity to borrow the loan and to grant a legal charge over the property, as confirmed by its **memorandum and articles of association**. The **memorandum and articles of association** must be certified by a director or the secretary of the **borrowe**r as being complete, accurate and up to date at the date of the mortgage deed.

You must notify us promptly in writing of any amendment to the **memorandum and articles of association** during the term and must provide us with a certified copy of the amended documents promptly following any such amendment.

Personal guarantees

Personal guarantees are required from each director and each shareholder in the **borrower** at the date of the mortgage deed. The **personal guarantee** is additional security for the **mortgage debt** and our rights under the mortgage are not affected by the existence of the **personal guarantee** or by any failure to enforce it. We may enforce the mortgage without first seeking to enforce any **personal guarantee.**

If a **guarantor** dies or becomes insolvent during the term, we may require a replacement **guarantor** to be provided within a reasonable period on terms acceptable to us. If a replacement **guarantor** is not provided within that period, this will constitute a breach of your significant responsibilities to us under the mortgage.

Changes in directors and shareholders

You must notify us promptly in writing of:
- any change in the directors of the **borrower**;
- any change in the shareholders of the **borrower**; and
- any other material change to the constitutional documents of the **borrower**.

We may, at our discretion and acting reasonably, require any incoming director or shareholder (as applicable) to enter into a **personal guarantee** on terms acceptable to us as a condition of our consent to the change. If we require this and it is not provided within a reasonable period, this will constitute a breach of your significant responsibilities to us under the mortgage.

VAT option to tax

You must not exercise an option to tax pursuant to Schedule 10 of the Value Added Tax Act 1994 in relation to the land and/or buildings comprising the property without our prior written consent.

Accounts and affordability

You must keep proper accounts for the **borrower** in relation to the letting of the property and permit us (or a person appointed by us) to review those accounts and other related documents on reasonable notice, to ensure that the loan remains suitably affordable. We will act reasonably in exercising this right.

Indemnity

You must indemnify us and any receiver appointed by us from and against all liabilities, actions, proceedings, charges, claims, demands and expenses (including value added tax, any other taxes, and legal and professional fees) arising from or related to any breach or non-observance of any of the covenants, requirements, warranties or undertakings on the part of the **borrower** and/or any **guarantor** under the mortgage. This indemnity applies only where the borrower is a l**imited company** and does not apply to individual **borrowers**.

Insurance

Where the **borrower** is a **limited company**, the buildings insurance required under these **conditions** must be maintained in the name of the limited company as the property owner. You must inform your insurer of your status as a corporate landlord and that the property is let.

14. When the mortgage must be repaid and what we can do if it is not
This section sets out the circumstances when we can require you to repay the mortgage early and what we can do if you do not repay it when this happens.

We will have the power to sell the **property** given to us by Section 101 of the **LPA**. This power will be available to us from the date of the **mortgage deed** but we will only use it as set out in the rest of this **condition 14.**

Events on which the mortgage debt becomes payable

If any of the following happens and we demand repayment, **you** will repay the **mortgage debt** at once:

- you are more than one month late in payment of any money which is due under the **mortgage** and the total amount which is overdue is equal to two **monthly payments** or more;
- you fail to repay the **mortgage debt** at the end of the **term**;
- you breach any of your other significant responsibilities to us under the **mortgage**, and
- such breach is either incapable of remedy or, if capable of remedy, is not remedied within such reasonable period of our requiring it as we specify in writing;
- we become aware of any misrepresentation in or missing any information supplied to us about you or the **property**, and it has or would have had a material effect on our decision to make the **loan**;
- where the **borrower** is an individual, you are convicted of a criminal offence which is directly material to the security or to your financial position, or we reasonably believe you have been involved in fraudulent or serious criminal behaviour in connection with the **property** or the **mortgage**;
- where the borrower is a **limited company,** the **limited company** is convicted of a criminal offence which we reasonably consider is likely to have a material adverse effect on the **limited company's** ability to meet its obligations under the mortgage or on the value or enforceability of our security, or we reasonably believe the **limited company** or any of its directors or shareholders has been involved in fraudulent or serious criminal behaviour in connection with the **property** or the **mortgage**;
- where the **borrower** is an individual, a bankruptcy order is made against any of you (or any **guarantor**) or any of you (or any **guarantor**) applies for an interim order or enters into any composition or arrangement with or for the benefit of creditors generally (or anything equivalent happens in any other jurisdiction);
- where the **borrower** is a **limited company**, any of the following events occurs (or any analogous event occurs in any other jurisdiction):
  (i) a winding-up order is made against the **limited company**, or a resolution for its voluntary winding-up is passed (other than for the purposes of a solvent amalgamation or reconstruction previously approved by us in writing);
  (ii) an administrator is appointed over the **limited company**, or any step is taken with a view to its administration, including the filing at court of a notice of intention to appoint an administrator or a notice of appointment of an administrator;
  (iii) a receiver or administrative receiver is appointed over all or any part of the assets or undertaking of the **limited company**;
  (iv) the **limited company** enters into a company voluntary arrangement or a moratorium under Part A1 of the Insolvency Act 1986, or any other composition or compromise with its creditors generally;
  (v) the **limited company** is or becomes unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986;
  (vi) the **limited company** is struck off the register of companies or is dissolved; or
  (vii) any of the **guarantors** suffers any of the events described in the individual insolvency trigger above;
- another lender or other person with an interest in the **property** starts proceedings for possession or to realise their interest or otherwise to enforce their interest in the **property**;
- the **property** is demolished (without our agreement), sold, abandoned or compulsorily purchased;
- any security for the **mortgage debt** becomes unenforceable;
- where the borrower is an individual, you die (if there is no surviving borrower);
- the **mortgage deed** is not registered within the expiry of any priority period for registration or it is not registered as a first legal charge and you have failed to assist us to rectify the position;
- we can demand repayment of amounts secured under any other **security document**;
- any other event occurs which you have agreed in writing with us makes the security enforceable.
- where the **property** is leasehold, you commit a material breach of the terms of the lease, including failure to pay any ground rent, service charges or other sums due under the lease, and that breach is either incapable of remedy, or if capable of remedy, you have not remedied it within a reasonable period after we have notified you in writing of the breach and required you to remedy it.

Where the **mortgage debt** becomes immediately repayable as a result of a breach of the terms of a lease, you consent to us disclosing details of the **mortgage** to any landlord and/or management company to the extent necessary to enable us to protect our security in the **property**.

If any of these events occurs and we have demanded repayment of the **mortgage debt** or any arrears, we may do any of the following things:

- require you (or anyone else at the **property**) to leave the **property** so that we can take possession of the **property** and/or, if the **property** is let, collect the rent;
- sell, agree to sell, or grant an option over the **property** or any part on any terms we reasonably decide (including by dividing the **property** into parts), using the power of sale conferred by the **LPA** as varied by these **conditions**. The restrictions on the power of sale in Section 103 of the **LPA** and what has to happen before we can exercise this will not apply;
- appoint a receiver as described in **condition 15**;
- exercise all the other powers conferred on mortgagees by the **LPA** or by a receiver under these **conditions**; vary, end, renew or accept surrenders of leases or tenancies of the **property** free of any restrictions under Section 100 of the **LPA**:
- with or without a premium or other compensation or consideration including the payment of money to a lessee or tenant on a surrender;
- with any rights relating to other parts of the **property**;
- containing any covenants on the part of us or anyone else; and
- otherwise on terms which we, acting reasonably, think fit;
- make any arrangements or compromises about any lease of the **property**, any covenants, conditions or restrictions relating to the **property** or anything else;
- grant or agree to grant a lease or tenancy of the whole or any part of the **property** (and the restrictions on granting leases in Section 99 of the **LPA** will not apply to us);
- carry out repairs, improvements, alterations, demolition or additions to the **property**;
- apply for any planning and other approvals;
- as your agent (and at your cost) remove, store, sell, rent or in any other way deal with any of your furniture or goods or those of any other person staying in the **property** after we have given written notice to you requiring them to be removed. We will not be responsible for any loss or damage caused by exercising this power unless we failed to take reasonable care in dealing with the furniture or goods. You will be entitled to the proceeds of sale of such goods or furniture (net of reasonable sale costs).

No purchaser who acquires an interest in the property is obliged to see whether we have complied with this **condition 14**.

Proceeds

Any money received by us (other than for proceeds of sale of your furniture or goods) in the exercise of the above powers shall be (so far as the law allows) applied by us in the following order:

- firstly, in payment of the costs, charges and expenses relating to any receiver's appointment
- and the exercise of all or any of the receiver's powers;
- secondly, in payment to us of the **mortgage debt**; and
- any balance after this shall be paid to the person entitled to it.

15. Receivers
This section sets out what happens if we appoint a receiver over the property and what any receiver can do.

As described in **condition 14** we may appoint in writing one or more persons to be receivers of all or part of the **property** in certain circumstances. The restrictions contained in Section 109 of the **LPA** will not apply to us. The receiver will be your agent. You will be responsible for anything which the receiver does or fails to do and for the receiver's charges.

Where we appoint more than one receiver, they may be given power to act either together or on their own. We may agree the charges of any receiver and may remove the receiver and appoint replacements at any time.

A receiver will have and be entitled to exercise all powers given by the **LPA** to a receiver and all powers given to us by these **conditions** and also to enter and take possession of the **property**.

Any money received by the receiver in the exercise of the receiver's powers shall be (so far as the law allows) applied in the following order:

- firstly, in payment of the costs, charges and expenses relating to his appointment and the
- exercise of all or any of his powers;
- secondly, in payment to us of the **mortgage debt**; and
- any balance after this shall be paid to the person entitled to it.

16. Power of attorney and further documents you must sign
In this section we explain the authority you give us to do certain things in your name and that you must sign other documents and do other things when we ask you to.

Power of attorney

For the purposes of securing our interest in the **property**, you appoint us and any receiver appointed by us to be your attorney by way of security to execute any document or do anything which you are required to do under these **conditions**. The attorney will be legally entitled to do these things on your behalf and the attorney's acts will bind you as though you had done them.

Power of attorney — where the borrower is a limited company
Where the borrower is a **limited company**, the power of attorney granted by the **mortgage deed** is granted by the company by deed executed in accordance with the Companies Act 2006. The borrower warrants that the persons executing the mortgage deed are duly authorised to grant this power of attorney on behalf of the **borrower** and that all necessary corporate approvals have been obtained.

We shall be entitled to rely on the execution of the **mortgage deed** as conclusive evidence that the requirements of sections 40 and 44 of the Companies Act 2006 have been satisfied.

- The power of attorney extends to authorising us and any receiver to execute documents and take actions in the name of the borrower, including:
- any transfer, assurance or disposition of the property or any part of it;
- lease or licence of the **property**;
- any document required to perfect or enforce our security; and
- any other document or action which the borrower is required to execute or take under these **conditions**.

We will be entitled to delegate our power of attorney to third parties where this is reasonable in order to help the exercise of our powers.

We will not be responsible for anything which is done under this power of attorney unless we have not used reasonable care in exercising the power.

You may not cancel this power of attorney until the **secured liabilities** have been fully repaid.

Other documents

You agree to sign any document and do anything else which we reasonably request you to do in order to:
- perfect or improve any security created or intended to be created for the repayment of the **secured liabilities**;
- help the exercise or the proposed exercise by us of any of our powers under the **mortgage**; and
- protect, manage or sell the **property** or any other security for the repayment of the **secured liabilities**.

17. Our other rights
In this section we explain some other rights we have under the mortgage.

Remedying your breaches

If you are obliged to do anything under the **mortgage** but fail to do so we may do it on your behalf. We will try and offer you the opportunity to fix any non-compliance before taking action, but we may not be able to do so if it is not possible. We are not obliged to do so where this is not reasonably practicable.

If we exercise our rights to do this the reasonable cost of doing so will be an **expense** that is charged to the **mortgage account** as described in **condition 11**.

Variations by us to these conditions

As well as our rights to make changes to **monthly payments, payment days**, how we calculate interest, the **interest rate**, our **tariff of charges** as set out elsewhere in these **conditions**, we may also change these **conditions** if we reasonably believe the change is not to your disadvantage or is needed for one or more of the following reasons:

- to respond to changes in the general law or decisions of the Financial Ombudsman Service;

- to meet our regulatory requirements;
- to reflect new or revised industry guidance or Codes of Practice designed to enhance
- consumer protection.

Any change we make will be proportionate to the reason(s) for making it and if the change is to your disadvantage we will tell you about it at least 90 days before the change comes into effect. If the change is not to your disadvantage, we can make it with effect from such date as we choose and we will tell you about it within 30 days of the change.

Set-off and consolidation of accounts

Where you have not paid a part of the **mortgage debt** which is due and payable, and you hold money in a savings or other account with us which is in credit, we may use the money in that account to pay off or reduce the part of the **mortgage debt** which is due and payable. We will only do this if the terms of that savings or other account allow us to do so, and in accordance with any applicable regulatory requirements.

Before we use this right, we will give you written notice of our intention to do so. We will give you at least 28 days' written notice before we exercise this right, except where we reasonably believe that you or another account holder would remove money from the account in order to prevent us from doing so. In that case, we will give you written notice as soon as reasonably possible after we have exercised this right.

Where you hold a savings or other account with us jointly with one or more other persons, we may only exercise this right in respect of that joint account if all of the joint account holders are liable for the **mortgage debt**. We will not exercise this right in respect of a joint account where not all of the joint account holders are liable for the **mortgage debt**.

Our right to transfer the mortgage

We can make a **transfer** of all or any of our rights under the **mortgag**e at any time without any further agreement from you. Before we use this right, we will give you written notice of our intention to do so. We will give you at least 30 days' written notice before we exercise this right.

If we make a **transfe**r of all or any of our rights under the **mortgage**, unless the terms of the transfer provide otherwise, the transferee can exercise our rights and enforce your duties to the same extent as we could before the transfer and you will be bound to any transferee in the same way as you are to us.

Any **transfer** will not reduce your guarantees or rights under the **mortgage** however your status as a **member** may cease as provided under the **Rules**. We will endeavour to ensure the transferee adopts similar customer and conduct standards to us, however our rights will not be limited by this.

We may provide any actual or potential **transferee** (or their advisers) with any information about the **mortgage**, the **mortgage account**, you or the **property**.

We can also make a **transfer** where we merge with another building society and/or transfer our business to a company under any law relevant to building societies. The requirements of that law will apply in these cases.

18. General
This section explains various other matters relating to the mortgage.

Membership

You may become a **member** when you sign the **mortgage deed** and enter into the **mortgage**. You may already be a **member** because you have another mortgage or savings account with us or in some other capacity.

A **limited company** borrower or its **guarantor(s)** cannot be a **member** of Newbury Building Society. The **Rules** set out the terms relevant to your status as a **member** and when you may cease to be one.

Mistakes

If we make a mistake in calculating the amount payable by you or make any other mistake about the **mortgage** this will not affect any of our rights, including our ability to claim the right amount from you (whether or not the **mortgage deed** has been released) together with interest at the **interest rate** until payment.

If, by mistake, we tell you that the **mortgage debt** has been repaid in full but later discover that an amount remains outstanding, you will still be responsible for paying that amount. If we later discover that you have paid more than was due, we will refund the overpayment to you.

This **condition** does not affect any legal rights you may have as a result of the **mortgage debt** being understated.

The entire agreement

The **mortgage** contains the entire terms agreed between you and us relating to the **loan** and/or the **mortgage debt.**

Separation of terms & forbearance

Each of the terms in these **conditions** (or any part of them) is separate from the others. If we cannot enforce any particular term (or any part of a term) this will not prevent us from enforcing other terms or the remaining parts of a term.

Where we grant a **concession**, we do not permanently give up or release the underlying right to which it relates. We may revert to strict enforcement of the relevant term at any time by giving you written notice.

Where we grant a **waiver** in respect of a particular breach or right, that **waiver** applies only to the specific breach or right identified at the time it is granted. It will not operate as a **waiver** of any other or subsequent breach, or of any other right or remedy we hold under the **mortgage**.

Any **concession or waiver** will only be binding on us to the extent expressly specified at the time it is granted and will not prevent us from exercising any other rights or powers we have under the **mortgage**.

If we do not take action when you fail to comply with any term of the **mortgage**, this does not mean that we will not take action in the future if you fail to comply with that or any other term, nor does it prevent us from taking legal action against you.

Third parties

Nobody will have any rights in relation to the **mortgage** under the Contracts (Rights of Third Parties) Act 1999.

Relevant law and language

The **mortgage** (and our relations with you leading to its formation) is governed by English law, and the courts of England and Wales have jurisdiction over any claim or dispute arising from it.

We will only communicate with you in English.

YOUR MORTGAGE IS SECURED ON YOUR HOME. THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Newbury Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 206077). B456