

**The Royal Bank of Scotland plc – Mortgage Deed**

THIS IS AN IMPORTANT DOCUMENT. YOU ARE STRONGLY ADVISED TO TAKE INDEPENDENT LEGAL ADVICE FROM A SOLICITOR, LICENSED CONVEYANCER OR LEGAL EXECUTIVE BEFORE SIGNING. SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND. IF YOU SIGN AND THE BANK IS NOT PAID YOU MAY LOSE THE PROPERTY CHARGED.

IN THE CASE OF REGISTERED LAND THIS DOCUMENT AND ANY PRIORITY AGREEMENT WITH ANY OTHER LENDER WILL BE PUBLIC DOCUMENTS.

**Date:**

**Definitions**

**Customer:**

**Bank:** The Royal Bank of Scotland plc. Company Number SC83026

**Interest:** Interest at the rate(s) charged to the Customer by the Bank from time to time

**Property:**

**Title Number**

**Customer's Obligations:** All the Customer's liabilities to the Bank of any kind (whether present or future, actual or contingent and whether incurred alone or jointly with another) together with the Bank's charges and commission, Interest and Expenses.

**Expenses:** All expenses incurred by the Bank at any time in connection with the Property or the Customer's Obligations or in taking or perfecting this deed or in preserving, defending or enforcing the security created by this deed or in exercising any power under this deed or otherwise with Interest from the date they are incurred.

**Mortgage**

**1.1** The Customer will discharge on demand the Customer's Obligations and as a continuing security for such discharge, and with full title guarantee, charges to the Bank by way of legal mortgage of all legal interests and otherwise by way of fixed charge the Property (to the full extent of the Customer's interest in the Property or its proceeds of sale) and the proceeds of any insurance from time to time affecting the Property.

**1.2** The Bank will not issue a demand under Clause 1.1 unless the Customer is in breach of any of the Customer's Obligations.

**Repair, Alteration and Insurance**

**2.1** The Customer will keep the Property in good condition and comprehensively insured to the Bank's reasonable satisfaction for its full reinstatement cost and in default the Bank (without becoming liable to account as mortgagee in possession) may enter and repair or insure the Property.

**2.2** The Customer will not, without the prior written consent of the Bank, make any alteration to the Property which would require planning permission or approval under any building regulations.

**2.3** The Customer will hold in trust for the Bank all money received under any insurance of the Property and, at the Bank's option, will apply the same in making good the relevant loss or damage or in or towards discharge of the Customer's Obligations.

**Outgoings and Leasehold Property**

**3** The Customer will pay all outgoings affecting the Property and, if the Property is leasehold, will pay the rent and service charge (if any) and comply with the terms of the lease.

**Restrictions on Charging, Leasing, Disposing and Parting with possession**

**4.1** The Customer will not without the Bank's prior written consent:-

**4.1.1** Create or permit to arise any mortgage, charge or lien on the Property;

**4.1.2** Grant or accept a surrender of any lease or licence of the Property;

**4.1.3** Dispose of or part with or share possession or occupation of the Property.

**4.2** If the Bank does consent to the creation of a mortgage or charge on the Property it may require a priority agreement or deed with the mortgagee or chargee. In the case of Registered Land this will require registration and will be a public document.

**4.3** The Customer and the Bank apply to the Chief Land Registrar to enter upon the Register a restriction that no disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge not being the charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated ..... in favour of the Bank referred to in the charges register.

#### **Powers of the Bank**

**5.1** The Bank may, without restriction, grant or accept surrenders of leases of the Property.

**5.2** Section 103 of the Law of Property Act 1925 shall not apply and the Bank may exercise its power of sale and other powers under that or any other Act or this deed at any time after the date of this deed.

**5.3** The Bank will not be liable to account to the Customer as mortgagee in possession for any money not actually received by the Bank.

**5.4** The Bank may remove, store, sell and/or dispose of all property of the Customer at the Property when the Bank is exercising its powers. The Bank will account to the Customer for the proceeds of any sale of such property after deducting all costs and expenses incurred in the sale.

**5.5** A person dealing with the Bank when it is exercising its powers under this deed or any Act shall assume that the Bank is entitled to exercise those powers and is not required to make any further enquiry as to the Bank's right to do so nor be concerned with notice to the contrary.

**5.6** Section 93(1) of the Law of Property Act 1925 will not apply to this deed.

#### **Power of Attorney**

**6** The Customer irrevocably appoints the Bank to be the Attorney of the Customer (with full power of substitution and delegation) in the Customer's name and on the Customer's behalf and as the Customer's act and deed to sign or execute all deeds, instruments and documents or take, continue or defend any proceedings which may be required by the Bank pursuant to this deed or the exercise of any of its powers.

#### **Appropriation**

**7.1** Subject to Clause 7.2, the Bank may appropriate all payments received for the account of the Customer in reduction of any part of the Customer's Obligations as the Bank decides.

**7.2** The Bank may open a new account or accounts upon the Bank receiving actual or constructive notice of any charge or interest affecting the Property. Whether or not the Bank opens any such account no payment received by the Bank after receiving such notice shall (if followed by any payment out of or debit to the relevant account) be appropriated towards or have the effect of discharging any part of the Customer's Obligations outstanding at the time of receiving such notice.

#### **Preservation of other Security and Rights and Further Assurance**

**8.1** This deed is in addition to any other security present or future held by the Bank for the Customer's Obligations and shall not merge with or prejudice such other security or any contractual or legal rights of the Bank.

**8.2** The Customer will at the Customer's own cost at the Bank's request execute any deed or document and take any action required by the Bank to perfect this security or further to secure on the Property the Customer's Obligations.

#### **Notices**

**9.1** Any notice or demand by the Bank may be sent by post or delivered to the Customer at the Customer's address last known to the Bank.

**9.2** A notice or demand by the Bank by post shall be effective on the second day after posting.

**9.3** A notice or demand by the Bank by hand shall be effective at the time of delivering.

#### **Governing Law**

**10 English law shall apply to this deed.**

**Assignment**

**11** The Bank may assign this deed to any person who also takes an assignment of the Customer's Obligations. After such assignment this deed shall remain a continuing security and shall be read as if the assignee was named in the definition of "Bank" and the definition of "Customer's Obligations" shall include both the Customer's liabilities assigned to the assignee and those incurred to the assignee after the date of such assignment.

**Interpretation**

**12.1** The expressions "Customer" and "Bank" where the context admits include their respective successors in title and assigns.

**12.2** If two or more persons are included in the expression "Customer" then the use in this deed of the word "Customer" shall refer to such persons both together and separately and the Customer's Obligations shall be their joint and several obligations.

**12.3** References to the "Property" include any part of it and the "Property" includes all covenants and rights affecting or concerning the same. The "Property" also includes any share from time to time held by the Customer in any landlord or management company of the Property.

**12.4** Interest will be calculated both before and after demand or judgment on a daily basis and compounded monthly on such days as the Bank may select.

**12.5** Each of the provisions of this deed shall be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions shall not in any way be affected.

**In Witness** of which this deed has been duly executed

**Signed** as a deed

by the first named Customer: .....

in the presence of:

Witness' signature .....

Name in full (in BLOCK CAPITALS)

Address

Occupation

**Signed** as a deed

by the second named Customer: .....

in the presence of:

Witness' signature .....

Name in full (in BLOCK CAPITALS)

Address

Occupation

**Please note: The Witness must not be a member of the Customer's family or a joint account holder**

I confirm that I am a Solicitor, Licensed Conveyancer or F.Inst.L.Ex. and that prior to the execution of this deed I explained the nature, content and effect of this deed to the Customer who informed me that he/she/they fully understood the same.

Solicitor's, Licensed Conveyancer's or F.Inst.L.Ex's. name in full

Signature

Firm

Address

Dated