Pure Retirement Emerald Lifetime Mortgage General Loan & Mortgage Conditions

(2nd Edition) Scotland

Pure Retirement

Pure Retirement

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Section 1 – General Loan Conditions for Scotland (2nd Edition)

1. Interpretation

1.1 In these Conditions the following expressions have the following meanings:

"Additional Advance(s)"	Any sum(s) to be drawn down by You in accordance with paragraph 2 of the Conditions from the Unutilised Cash Facility as agreed between You and Us in an Additional Advance Loan Agreement and the accompanying letter;
"Additional Advance Loan Agreement"	Any additional advance loan agreement signed by You which incorporates the Conditions and which is made up of the offer document and accompanying letter;
"Advance(s)"	The Initial Advance(s) and/or any Additional Advance(s);
"Amount Owed"	(a) All sums payable by You in connection with the Advance(s), including the Advance(s) plus (if applicable) the Arrangement Fee plus all unpaid interest accumulated on the Advance and (if applicable) the Arrangement Fee in accordance with paragraph 3 plus any and all unpaid Costs plus any Early Repayment Charge(s) determined in accordance with paragraph 6, less; (b) All amounts You have paid to Us in connection with the Advance(s);
"Arrangement Fee"	The fee payable by You to Us for arranging the Advance(s) and which (if applicable) You have asked Us to add to the Amount Owed, the amount of which is specified in the Loan Agreement;
"Borrower"	The person(s) specified as "Borrower" in the Loan Agreement;
"Business Day"	A day (other than a Saturday or Sunday) on which banks are open for business in London;
"Cash Facility"	A loan facility with amount specified in the Initial Loan Agreement from which the Initial Advance and any Additional Advances shall be drawn down;
"Conditions"	The Pure Retirement Emerald Lifetime Mortgage - General Loan Conditions for Scotland (2nd Edition);
"Costs"	All costs, fees and expenses You must pay under paragraph 21.2 together with (if applicable) the "Costs, Fees and Expenses" as defined under the Mortgage Conditions;
"Early Repayment Charge"	The Early Repayment Charge payable in accordance with Section 13 of your Initial Advance Loan Agreement and section 7 or 14 of your Additional Advance Loan Agreement(s);
"Early Repayment Event"	Each of the events listed in paragraph 6.2;
"Interest Rate"	The rate of interest per annum (shown as the Monthly Equivalent Rate or MER) applicable to the Advance(s) and any amounts added to the Amount Owed, for example (if applicable) the Arrangement Fee and interest, as specified in the applicable Loan Agreement;

"Initial Advance"	The sum to be drawn down by You in accordance with paragraph 2 of the Conditions as agreed between Us and You in the Initial Loan Agreement;
"Initial Loan Agreement"	The initial loan agreement signed by You which incorporates the Conditions and which is made up of the offer document and accompanying letter;
"Loan Agreement"	The initial Loan Agreement and/or any Additional Advance Loan Agreement;
"Maximum Early Repayment Charge"	The maximum Early Repayment Charge applicable to an Advance as specified in the applicable Loan Agreement;
"Mortgage"	The mortgage deed or other security document over the Property which You give to Us to secure the Amount Owed;
"Mortgage Conditions"	The Pure Retirement Emerald Lifetime Mortgage – Mortgage Conditions for Scotland (2nd Edition);
"Payment Date"	(i) Where there is only one of You, the earlier of: a. The date of Your death; b. The date You move permanently into a commercial, NHS or local authority residential care home through medical necessity; or c. The date You move to live permanently with relatives for the purposes of care through medical necessity; (ii) Where there are two of You, the earlier of: a. The date of death of the last to die; b. The date the last of You moves permanently into a commercial, NHS or local authority residential care home through medical necessity; or c. The date the last of You moves to live permanently with relatives for the purposes of care through medical necessity. For the avoidance of doubt, if one of the events in a, b. or c. happens to one of you first and the same or another of the events happens to the second of You, the Payment Date will be the date the earliest of the events happens to the second of You; or (iii) The date We give You notice under paragraph 9.1; Please note that the circumstances in which there are no Early Repayment Charges are described in section 13 of your Initial Loan Agreement;
"Property"	The property described in the Mortgage;
"Redemption Date"	The date on which the Amount Owed together with any other sums due and payable in accordance with the Loan Agreement is repayable as specified in a Redemption Notice;
"Redemption Notice"	A notice given by You to Us in accordance with paragraph 6.1;
"Unutilised Cash Facility"	The amount of the Cash Facility available for drawdown by You after drawdown of any/all Advance(s) already made and as specified in the most recent Loan Agreement;

"We, Us and Our"	Pure Retirement Limited incorporated under the Companies Acts (Company number 07240896) having its registered office at 2200 Century Way, Thorpe Park, Leeds, LS15 8ZB or (as applicable) any person Pure Retirement Limited, or that person, assign(s) or transfer(s) our rights under this agreement to;
"You, Your and Yourself"	The Borrower named in the Loan Agreement or (as applicable) Your Personal Representative(s); and
"Your Personal Representative(s)"	The person(s) who are legally responsible for dealing with Your affairs after death.

1.2 If the terms of any Loan Agreement are not consistent with anything in these Conditions or the Mortgage Conditions, the terms of the Loan Agreement prevail. For the avoidance of doubt, if the terms of the offer document are not consistent with anything in these Conditions, the terms of the offer document prevail.

2. The Cash Facility

2.1 We agree to make available to You the Cash Facility. The first drawdown of the Cash Facility will be the Initial Advance and the Unutilised Cash Facility will be available for draw down by You as Additional Advances subject to the terms of this paragraph 2.

2.2 Drawdown of any Additional Advance will be subject to the criteria We apply to new lending at the time You make a request for drawdown and to these Conditions. You will be required to enter into an Additional Advance Loan Agreement acknowledging these Conditions and the particular terms applying to that Advance, including the amount of the Additional Advance, the applicable Interest Rate and the Early Repayment Charge for that Advance.

2.3 Each Additional Advance Loan Agreement will specify what the Unutilised Cash Facility will be after drawdown of the Additional Advance.

2.4 Please refer to section 7 of your Initial Advance Offer document for the circumstances in which we will reduce or remove your Unutilised Cash Facility.

3. Interest

3.1 We will charge interest at the Interest Rate on the balance of the Amount Owed outstanding each day. Interest will accumulate on the Amount Owed and we will add the interest charged to the Amount Owed monthly on the first day of each month based upon a 365-day year. Interest will be charged on accumulating interest. This means that as interest accumulates on the Amount Owed this interest is added each month to the Amount Owed itself and will also attract interest.

3.2 If You have opted for our Interest Servicing Lifetime Mortgage product, Your completion letter will confirm the date and amount of Your first and ongoing Direct Debit payments to service the monthly interest. A signed and correctly completed Direct Debit form will be required before completion takes place.

4. Repayment

4.1 You or Your Personal Representative(s) must inform Us immediately of the Payment Date taking place or of any event which may result in the Payment Date taking place.

4.2 The Amount Owed is repayable to Us by You no later than twelve months following the Payment Date unless:

4.2.1 The Payment Date arises as a result of Us giving You notice under paragraph 9.1, in which case the Amount Owed is repayable to Us by You no later than the Payment Date, together with any other sums due and payable under the Loan Agreement and/or the Mortgage; or

4.2.2 We give You notice at any time after the Payment Date that in Our reasonable opinion:

- The value of the Property is less than the Amount Owed; or
- The value of the Property is likely to be less than the Amount Owed within the twelve months following the Payment Date;

In which case the Amount Owed is repayable to Us by You no later than the date We give You that notice, together with any other sums due and payable under the Loan Agreement and/or the Mortgage.

4.3 In connection with exercising Our powers under the Mortgage once it becomes enforceable (for example, following the Payment Date if the amounts payable in accordance with paragraph 4.2 are not paid as required under paragraph 4.2), at Our discretion, We may appoint You or Your Personal Representative(s) as Our agent to market the Property on Our behalf. No sale may occur where You are not able to repay in full the Amount Owed (including for the avoidance of doubt any applicable Early Repayment Charge), without Our prior authorisation in writing. On any sale (i) the amount equal to the Amount Owed (including for the avoidance of doubt any applicable Early Repayment Charge), or if less (ii) all amounts, realised by any such sale shall be held on trust for Us and forwarded to Us. Any such appointment may be terminated by Us at any time of Our choosing but in any event will terminate not later than twelve calendar months after the date of the appointment (unless We otherwise agree in writing).

4.4 Following the Payment Date and/or the Mortgage becoming enforceable:

4.4.1 If in Our reasonable opinion; or

4.4.2 Where We have appointed You or Your Personal Representative(s) as Our agent to market the Property in accordance with paragraph 4.3 and You or Your Personal Representative(s) demonstrate to Us to Our satisfaction that, insufficient money will arise from the sale of the Property to repay the Amount Owed, then without being under an obligation to do so We may spend such amounts of money as we see fit to make the Property more marketable. Any amount expended will be added to the Amount Owed and secured under the Mortgage (including, for the avoidance of doubt, independent surveyors' fees incurred at any time on or following the Payment Date to establish whether insufficient money will arise from the sale of the Property to repay the Amount Owed).

4.5 Provided You have complied with the terms of the Loan Agreement and the Mortgage Conditions in all material ways then, subject to paragraph 4.6, We will authorise a sale and accept the sale proceeds of the Property in full and final settlement of the Amount Owed even if such sale proceeds are insufficient to repay the full Amount Owed.

4.6 If we need to take action to repair the Property as a result of Your failure to keep the Property in good repair and as a result We incur costs carrying out those repairs, paragraph 4.5 will not apply to that extent and You will be required to pay Us such Costs We have incurred.

4.7 Where We (or You or Your Personal Representative(s) as Our agent (as the case may be) realise more than the Amount Owed from the sale of the Property following the Payment Date, the surplus will be reimbursed to You or Your Personal Representative(s) for Your benefit or the benefit of Your estate (as the case may be).

4.8 You may make partial repayments in accordance with the terms set out in the Initial Loan Agreement and/or Additional Advance Loan Agreement. If you have an Initial Advance and Additional Advance(s) we will ask you which Advance You want to repay when You make the partial repayment. Any partial repayment will reduce the Amount Owed when We receive the cleared funds.

5. Security

5.1 The Loan Agreement and the provision by Us of the Advance is conditional upon the proper execution by You of the Mortgage and such other documentation as We shall have notified to You prior to the signing of the Loan Agreement.

6. Early Repayment

6.1 You may at any time give Us written notice of Your intention to repay the Amount Owed before the Payment Date provided that such notice specifies a Redemption Date being not earlier than 10 Business Days from the date of such notice.

6.2 If any of the following Early Repayment Events happens, then paragraph 6.3 will apply:

6.2.1 The Loan Agreement is terminated in accordance with paragraph 9.1;

6.2.2 A Redemption Notice has been given in accordance with paragraph 6.1; or

6.2.3 The Amount Owed or any part of it is repaid, unless repaid:

6.2.3.1 As a result of any of the events listed in paragraph (i) or (ii) in the definition of Payment Date in paragraph 1. Where one of those events depends on medical necessity, We will be entitled to require medical evidence, which must be reasonably satisfactory to Us, of any claimed medical necessity. If it is not reasonably satisfactory to Us, paragraph 6.3 will apply; or

6.2.3.2 Because we require repayment of part of the Amount Owed under paragraph 7.2.2.2.

6.2.3.3 For details of the partial repayment terms please refer to; section 14 of your Initial Advance Offer document, section 15 of your Additional Borrowing Offer document or section 8 of your Drawdown (use of Drawdown Facility) Offer document.

6.3 If an Early Repayment Event happens, then:

(a) The Amount Owed will be the Advance(s) plus all unpaid interest accumulated on the Advance(s) at the applicable Interest Rate to the date of repayment in full plus the applicable Early Repayment Charge.

(b) For the avoidance of doubt, in addition to the amounts stated in 6.3(a) above the Amount Owed will also include any Costs, Set-up Fee and any other sum payable by You in connection with any Advance You must pay under the Loan Agreement and have not already paid.

6.4 Circumstances in which there are no Early Repayment Charges are described in Section 13 of your Initial Advance Offer document/Initial Advance Loan Agreement.

7. Sale/transfer of the Property/moving

7.1 You may not sell or transfer the Property to any third party prior to the Payment Date where You do not repay in full the Amount Owed including any applicable Early Repayment Charge, without Our prior written consent.

7.2 Where a sale or transfer of the Property is to be completed prior to the Payment Date We will only be obliged to consent to such a sale or transfer and release the Mortgage if either:

7.2.1 On the date of completion of such sale or transfer You have repaid the sums payable under and in accordance with the Loan Agreement; or

7.2.2 You have:

7.2.2.1 Provided to Us a first legal charge by way of legal mortgage over another property (which is Your permanent residence and has been previously approved by Us as complying with Our eligibility criteria at the time as acceptable security) signed by You in such form as We shall require in Our favour for all sums due from You to Us; and

7.2.2.2 (Where the other property provides insufficient security) repaid to Us such part of the Amount Owed as We shall require; and

7.2.2.3 Paid to Us all costs (including internal administration costs) reasonably and properly incurred by Us in connection with such sale or transfer.

7.3 Where we require You to repay a part of the Amount Owed under paragraph 7.2.2.2, You will not have to pay an Early Repayment Charge in relation to the amount we require You to repay.

7.4 Where the proposed property is outside Our eligibility criteria at that time, You will be able to repay the Amount Owed without Early Repayment Charge provided:

7.4.1 The Initial Advance has reached its 5th anniversary.

8. Payments

8.1 All payments to be made by You under the Loan Agreement shall be made in sterling in immediately available funds during normal banking hours. If any sum falls due for payment under the Loan Agreement on a day which is not a Business Day it shall be made on the next succeeding Business Day.

9. Events of default

9.1 The Loan Agreement shall immediately terminate and the sums payable under and in accordance with the Loan Agreement shall be immediately due and payable by You upon notice by Us following the occurrence of any of the following events:

9.1.1 You (and where there are two or more of You, any of You) becoming bankrupt or being sequestrated; or

9.1.2 (i) Your failure to perform and observe; or (ii) Your breach of; any of the terms and conditions of any Loan Agreement seriously; or

9.1.3 You do not keep your property in a good state of repair; or

9.1.4 You ceasing to occupy the Property as Your main residence for a period of three months or more without Our prior written consent; or

9.1.5 We have found out that You gave Us false or incomplete information when You applied for the Advance and We reasonably believe this made a significant difference to Our decision to lend to You; or

9.1.6 The Property is subject to a compulsory purchase or requisition of all or part of the Property; or

9.1.7 You fail to inform Us that You have received an environmental notice issued under the provisions of the Environmental Protection Act 1990 or the Water (Scotland) Act 1980 relating to the Property or a neighbouring property; or

9.1.8 You use or permit the Property to be used otherwise than solely as a private residence; or

9.1.9 Any other event happens which makes the power of sale under the Mortgage immediately exercisable or allows Us to enforce the Mortgage.

9.2 You agree to give written notice to Us immediately where any of the events listed in paragraph 9.1 occurs.

10. Further valuations of the Property

10.1 We reserve the right to undertake further valuations of the Property (subject to paragraphs 10.2 and 10.3 below) during the continuance of the Loan Agreement and such valuations shall be undertaken by an independent surveyor, qualified through the Royal Institution of Chartered Surveyors, whose decision shall be final and conclusive.

10.2 We will pay the costs of the independent surveyor for valuations undertaken at Our request and for any purpose or circumstance We deem necessary, but subject to sub-paragraph 10.3 below.

10.3 You will pay and remain liable for any costs of the independent surveyor following a request You make pursuant to which We may reasonably require a valuation of the Property.

11. Using and protecting Our rights

11.1 Where You need Our consent under the Loan Agreement before doing something, We will not unreasonably withhold or delay that consent. For example, it will be reasonable for Us to refuse to consent to something We reasonably think will:

11.1.1 Make it less likely You can pay Us all Amounts Owed at any time; or

11.1.2 Have any significant negative impact on Us in relation to Our agreement with You.

Where You need Our consent before doing something, You will need it before going ahead and You should therefore ask for consent in good time before going ahead.

11.2 Where:

11.2.1 We have the power to take certain action;

11.2.2 We have the power to require You to take or not to take certain action;

11.2.3 Something must be to Our satisfaction or must be acceptable to Us; or

11.2.4 A document must be in Our required form, then, unless otherwise specified, We will act reasonably when exercising these rights. For example, We will be acting reasonably if We act as a prudent lender would.

11.3 Our rights under the Loan Agreement will not be lost or limited:

11.3.1 By any earlier exercise of them;

11.3.2 By any failure to exercise them;

11.3.3 By any delay in exercising them; or

11.3.4 By exercising them in part only.

12. Effect of termination

12.1 Termination of the Loan Agreement for any reason shall not affect any of Our rights which have accumulated prior to the date of such termination.

13. Variation

13.1 We will be entitled to vary the terms of these Conditions to respond proportionately to any of the following:

13.1.1 Changes in applicable UK or European legislation (including, without limitation, regarding taxation);

13.1.2 Order of a UK Court (for example, in the case of divorce);

13.1.3 Changes in the applicable regulatory regime; and

13.1.4 To correct manifest errors;

13.2 We will be entitled to vary the terms of these Conditions for any valid reason.

13.3 We will also be entitled to vary the terms of these Conditions in any way that We reasonably think will not be to Your disadvantage.

13.4 We will give you at least 30 days written notice before making the variation save where any law or regulation requires Us to make the variation more quickly. In that case We will give You written notice as soon as reasonably practicable.

14. Rights of transfer

14.1 We may assign, transfer or charge the Loan Agreement and/or the right to any amount You owe Us under the Loan Agreement and/or any of Our rights under the Loan Agreement in whole or in part to any person or persons at any time.

14.2 We may delegate the exercise of all or any of Our rights and/or the performance of all or any of Our obligations under the Loan Agreement to any person or persons at any time.

14.3 If We assign, transfer or charge the Loan Agreement and/or the right to any amount You owe Us under the Loan Agreement and/or any of Our rights under the Loan Agreement in whole or in part:

14.3.1 The person who takes over Our rights will have the benefit of Our rights and remedies under the Loan Agreement and will be able to enforce Your obligations under the Loan Agreement; and

14.3.2 That assignment, transfer or charge will not affect Your rights under the Loan Agreement.

14.4 You may not assign, transfer or charge the Loan Agreement, any of Your rights under the Loan Agreement in whole or in part to any person or persons at any time.

15. Successors

15.1 The Loan Agreement shall be binding upon and shall take and/or have effect and/or serve to the use and/or benefit and/or advantage of each parties' successors and Your Personal Representative(s).

16. Liability

16.1 If there is more than one of You, the terms of the Loan Agreement apply to all of You together and to each of You on Your own. This means that each of You can be held fully responsible for paying the Amount Owed.

17. Use of information

17.1 We will decide the purposes for which and the manner in which any personal information We obtain relating to You is processed. We will process information about You in connection with Our management and administration of the Loan Agreement and the Mortgage. We may pass personal information about You to other companies who assist Us in managing and administering the Loan Agreement and the Mortgage. If We pass personal information about You on to any such company, We will ensure that the company in question is obliged to process Your personal information in accordance with the Data Protection Act 1998 and Our applicable standards.

17.2 We may give details of the Advance(s), the Interest Rate, the Amount Owed, Your name(s) and address and any other details concerning the Loan Agreement or the Mortgage to any other person if:

17.2.1 We are required to do so by law or by any regulatory authority;

17.2.2 We have a public duty to do so;

17.2.3 It is necessary in order to enforce any provisions of the Loan Agreement or the Mortgage;

17.2.4 You ask Us to give details to another person or agree that We can give such details to another person;

17.2.5 The person to whom We give the details is a person who takes over or may be entitled to take over any of Our rights under this Agreement or the Mortgage or who is responsible for the management or administration of the Loan Agreement or the Mortgage at any time; or

17.2.6 We think it is necessary or advisable to do so in connection with any sale or financing arrangement which We may enter into or consider in connection with the Loan Agreement or the Mortgage.

17.3 We will use the information which You give Us or which We receive from any enquiries which You permit Us to make about You, for processing and administering the Loan Agreement and Your Mortgage, for customer service, market research, statistical analysis, audit and administrative purposes.

17.4 We may pass this information or disclose it to any third party who provides services to Us in connection with the Loan Agreement and the Mortgage.

17.5 We may use Your information in connection with Our marketing activities, such as market research or to tell You about Our other products and services. Contact may be by post, telephone, fax or email. If You do not wish to receive information about Our other products and services or do not wish to be contacted for marketing purposes by any of those electronic means, You can tell us by writing to the Data Protection Officer at Pure Retirement Limited, 2200 Century Way, Thorpe Park, Leeds LS15 8ZB. We will inform you if these contact details change.

17.6 We may record telephone calls that You make to Us for Our mutual protection and to improve Our customer service standards. You have a right under the Data Protection Act 1998 to ask for a copy of the information held by Us in Our records in return for payment of a small fee, and to require Us to correct any inaccuracies.

17.7 You agree that We can pass on any information or documents relating to Your mortgage loan application, the Mortgage, any offer letter and any other agreement You make with Us to do with your loan to any person who takes over any of Our rights as set out in clause 14 in relation to the Mortgage and the Loan Agreement, for that person to use in the same way as Us. You also agree that We may give details about the Mortgage and the Loan Agreement, or Your name and address to anyone else We are discussing transferring the Mortgage and Our rights under the Loan Agreement to.

17.8 The consents for the use of Your information as referred to in this clause 17 are in addition to (and are not in substitution of) any other consents that we may have obtained from You.

18. Invalidity/Illegality/Unenforceability

18.1 If any of the terms and conditions of the Loan Agreement is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining terms and conditions shall not in any way be affected or impaired.

19. Notices

19.1 In this paragraph 19 Your “address” means the address of the Property or any other address which You give Us in writing.

19.2 We may give You notice under the Loan Agreement by posting or delivering it to You at Your address.

19.3 Notices given by the method described in paragraph 19.2 will be treated as given on the following dates:

Method.	Date.
First class post (or equivalent).	The first Business Day after the date of posting.
Second class post (or equivalent).	The second Business Day after the date of posting.

19.4 Any notice We give will come into effect on the day it is given, unless a later date is stated in the notice.

19.5 You may give notice to Us by posting or delivering it to The Administration Department, Pure Retirement Limited, 2200 Century Way, Thorpe Park, Leeds LS15 8ZB or any changed address which We notify You of in writing. If You post a notice to Us, it will be treated as given on the date which would apply under paragraph 19.3 if it had been a notice posted by Us.

20. Rights of Third Parties

20.1 The terms contained in the Loan Agreement are not intended to be enforceable by anyone other than You (including Your successor) and Us (including our successors and any permitted transferee).

21. Costs

21.1 Except as expressly agreed otherwise with You, You will pay Your own legal and other professional fees, costs and expenses relating to the preparation and implementation of the Loan Agreement and/or any other documents in connection with the Loan Agreement.

21.2 You will promptly, on demand pay to Us the amount of all costs and expenses (including, without limitation, legal fees, the costs of any legal proceedings and internal administration costs), together with any value added tax on them, which We reasonably and properly incur on or in connection with the Loan Agreement including, without limitation, in connection with:

(a) Paragraphs 4.3, 4.4, 7.2.2.3, 9.1 and 10.3 of these Conditions;

(b) The preservation (or attempted preservation), and/or the enforcement (or attempted enforcement), of any rights under and/or in connection with, the Loan Agreement;

(c) The recovery or attempted recovery of the Amount Owed when it has become due for payment; and

(d) Dealing with, or obtaining advice about, any matter or question arising out of or in connection with the preservation (or attempted preservation), and/or the enforcement (or attempted enforcement), of any rights under and/or in connection with, this Loan Agreement;

Together with interest from calendar day to calendar day thereon from: (i) the due date for payment if specified in the demand; or (ii) if no such due date is specified, the date of demand; or (iii) if earlier than the relevant date in (i) or (ii), at our discretion (acting reasonably), the date of payment by Us; until the date of payment by You or other discharge in full whether before or after any court judgment. The rate of interest shall be the rate of interest applicable to the Advance(s) and as specified in the Loan Agreement. We will tell you as soon as reasonably practicable that interest is being charged.

22. Law

22.1 The Loan Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with Scots law.

22.2 The courts of Scotland have jurisdiction to settle any dispute or claim that arises out of or in connection with the Loan Agreement or its/their subject matter or formation (including non-contractual disputes or claims).

Section 2 – Mortgage Conditions for Scotland (2nd Edition)

We, Pure Retirement Limited incorporated under the Companies Acts (Company number: 07240896) and having our registered office at 2200 Century Way, Thorpe Park, Leeds, LS15 8ZB hereby declare that for the purpose of advances to be made by us to our Borrowers and which are to be secured by a standard security or securities to be granted in our favour over heritable property in Scotland and other security (if any), the Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 as amended shall apply subject to the following variations, which variations shall be called the Mortgage Conditions for Scotland (2nd Edition):-

1. Interpretation

1.1 In these Conditions the following expressions have the following meanings:

"Act"	The Conveyancing and Feudal Reform Act (Scotland) 1970;
"Additional Advance(s)"	Any sum(s) to be drawn down by You in accordance with paragraph 2 of the Loan Conditions from the Unutilised Cash Facility as agreed between You and Us in an Additional Advance Loan Agreement and the accompanying letter;
"Additional Advance Loan Agreement"	Any additional advance loan agreement signed by You which incorporates the Loan Conditions and which is made up of the offer document and accompanying letter;
"Advance(s)"	The Initial Advance and/or any Additional Advance(s);
"Amount Owed"	(a) All sums payable by You in connection with the Advance(s), including the Advance(s) plus (if applicable) the Arrangement Fee plus all unpaid interest accumulated on the Advance(s) and (if applicable) the Arrangement Fee in accordance with paragraph 3 of the Loan Conditions plus any and all unpaid Costs as defined under the Loan Conditions plus any Early Repayment Charge(s) determined in accordance with paragraph 6 of the Loan Conditions; less (b) All amounts You have paid to Us in connection with the Advance(s);
"Arrangement Fee"	The fee payable by You to Us for arranging the Advance(s) and which (if applicable) You have asked Us to add to the Amount Owed, the amount of which is specified in the Loan Agreement;
"Borrower"	The person(s) specified as "Borrower" in the Loan Agreement;
"Business Day'	A day (other than a Saturday or Sunday) on which banks are open for business in London;
"Cash Facility"	A loan facility in the amount specified in the Initial Loan Agreement from which the Initial Advance and any Additional Advance shall be drawn down;
"Conditions"	The Pure Retirement Emerald Lifetime Mortgage – Mortgage Conditions for Scotland (2nd Edition);

"Costs, Fees and Expenses"	All costs, fees and expenses You must pay under paragraph 3.14(b);
"Early Repayment Charge"	The early repayment charge payable in accordance with section 13 of your Initial Advance Loan Agreement, and section 7 or 14 of your Additional Advance Loan Agreement(s);
"Initial Advance"	The sum to be drawn down by You in accordance with paragraph 2 of the Loan Conditions as agreed between Us and You in the Initial Loan Agreement;
"Initial Loan Agreement"	The initial loan agreement signed by You which incorporates the Loan Conditions and which is made up of the offer document and accompanying letter;
"Loan Agreement"	The Initial Loan Agreement and/or any Additional Advance Loan Agreement (as the case may be);
"Loan Conditions"	The Pure Retirement Emerald Lifetime Mortgage - General Loan Conditions for Scotland (2nd Edition);
"Maximum Early Repayment Charge"	The maximum Early Repayment Charge applicable to the Advance as specified in the applicable Loan Agreement;
"Mortgage"	The standard security or other security document over the Property which You give to Us to secure the Secured Sums and which incorporates the Conditions;
"Mortgagor"	The person(s) specified as 'Borrower' in the Mortgage;
"Personal Representative(s)"	The person(s) who are legally responsible for dealing with Your affairs after death;
"Property"	The property described in the Mortgage (together with all fixtures and fittings, and all and every interest in it or in the proceeds of sale of it);
"Secured Sums"	All money and liabilities due, owing or incurred to Us by You, under the Mortgage and/or the Loan Agreement (including, without limitation), the Amount Owed (as defined in the Loan Conditions) and all Costs, Fees and Expenses You must pay under this Mortgage;
"Unutilised Cash Facility"	The amount of the Cash Facility available for drawdown by You after drawdown of any/all Advance(s) already made and as specified in the most recent Loan Agreement;
"We, Us and Our"	Pure Retirement Limited incorporated under the Companies Acts (Company number 07240896) having its registered office at 2200 Century Way, Thorpe Park, Leeds, LS15 8ZB or (as applicable) any person Pure Retirement Limited, or that person, assign(s) or transfer(s) our rights under the Loan Agreement and the Mortgage to;
"You, Your and Yourself"	The Borrower named in the Loan Agreement or (as applicable) Your Personal Representative(s); and
"Your Personal Representative(s)"	The person(s) who are legally responsible for dealing with Your affairs after death.

2. Undertaking to pay

You agree with Us that as and when the Secured Sums or any part of them are due for payment as provided for in the Loan Agreement or in the Mortgage or otherwise You shall pay to Us the Secured Sums or as the case may be the part of them due to be paid.

3. Your Obligations

3.1 Loan Agreement
You must observe and perform the restrictions and obligations contained in the Loan Agreement.

3.2 Repair
You must keep the Property in a good state of repair and in good working order and condition and renew and replace the fixtures and fittings about the Property when they become obsolete, worn out or destroyed.

3.3 Payment of outgoings
You must pay all rents, rates, taxes, levies, assessments, impositions and outgoings whether governmental, municipal or otherwise that may be imposed upon or payable in respect of the Property as and when they become payable and on demand by Us must produce the receipt for such payments.

3.4 Our right of inspection
You must permit Us at any time (subject to giving You reasonable prior notice) to enter upon all buildings, erections or structures forming part of the Property, without prejudice to the powers conferred by the Mortgage and without becoming a heritable creditor in possession, for any reasonable purpose and to view the state of the Property.

3.5 Not to alter buildings etc.
You must not, without Our prior written consent or otherwise than in accordance with plans, elevations and specifications previously submitted to and specifically approved by Us in writing, make any alterations to any buildings, erections or structures, fixed plant or machinery, fixtures or fittings for the time being forming part of the Property or put up or erect any new buildings nor without such consent make any application for planning permission in respect of the Property.

3.6 Use of Property
You must not use or permit the Property to be used otherwise than as a private residence.

3.7 Insurance

3.7.1 You must insure the Property and keep it insured against loss or damage, to its full insurable value in a manner approved by Us. Sometimes You will not be able to insure Your property Yourself because someone else has the legal obligation to insure. An example of that would be if the Property is part of a larger block or development and the title conditions require that a Factor or property management company insure the property and other properties on a block or common insurance policy. In that case, You must do all You reasonably can to make sure that the Property is kept insured on that insurance policy.

3.7.2 The insurance policy must:

3.7.2.1 Be with a reputable insurer and be for the full Reinstatement Value;

3.7.2.2 Cover fire, subsidence, flood, aircraft damage and such other risks as We may from time to time reasonably require; and

3.7.2.3 Be on risk immediately before completion of Your purchase of the Property, or the date on which the advance monies are issued to Our solicitors, whichever is the earliest. If You are re-mortgaging the Property it must be insured from at least two Business Days before the completion of your Mortgage.

3.7.3 If You arrange insurance:

3.7.3.1 You must pay the insurance premiums on time; and

3.7.3.2 Whenever We ask, you must show Us a copy of the policy and produce receipts or other evidence that it is on risk and its premiums are paid up to date.

The 'Reinstatement Value' is the amount (including Value Added Tax) required:

- To demolish and/or rebuild the Property;
- For site clearance of the Property;
- To pay surveyors and other professional fees;
- To comply with planning permissions; and
- To pay for alternative accommodation.

That amount must be adjusted at least once a year in accordance with any change in the House Rebuilding Cost Index prepared by the Royal Institute of Chartered Surveyors or, if that index ceases to exist, such similar index as We in Our reasonable discretion decide.

3.7.4 You shall ensure that Our interest as mortgage lender is protected in one of the following ways, as We require in the offer document:

(a) Insured with Us and You as co-insureds on a composite basis;

(b) Insured with Us and You as joint insureds; or

(c) With Our interest as mortgage lender noted on the insurance policy.
We will be entitled to require You, by giving You notice, to ensure that Our interest is protected in one of the other ways if it is Our reasonable opinion that the change is needed because of changes in insurers' practice or because it is needed for a different reason.

3.7.5 We may insure Our interest and/or Your interest in the Property if:

- You are not insuring it (and We are not reasonably satisfied that anybody else has insured it);

- We reasonably believe the insurance is not suitable and You have not made it so if We have asked; or

- We have asked You to provide details of the insurance and/or proof that it is still in force and You have not done so.

3.7.6 Although We may insure the Property, You must not rely on Us to insure it if You do not.

3.7.7 If We insure your property, We will decide the following:

- Who the insurer will be;

- What will be covered by the policy; and

- The amount of the cover and any excess.

3.7.8 The insurance We put in place will be to protect Our interests. Our insurance may not cover Your interests or the interests of anyone else at all, or if any of Your or anyone else's interests are covered, they might only be partly covered.

3.7.9 You can at any time ask Us for details of any insurance We have put in place. It is down to You to decide whether that insurance is also suitable for You (and for anyone else who might have an interest in the Property), and to arrange any additional insurance that You may need.

3.7.10 If We insure the Property that will be a Cost You must pay.

3.7.11 You must take reasonable steps to make sure that nothing happens which may harm the ability to make a claim under the insurance.

3.7.12 You must tell us straight away if any significant damage happens to the Property and You will need to make a claim. Where the insurance allows, We will have a right to negotiate with the insurer and settle a claim on reasonable terms.

3.8 Proceeds from insurance claims
You must ensure that all money payable under any insurance in respect of loss or damage to the Property, whether effected or maintained pursuant to paragraph 4.8 above or otherwise, shall be paid to Us or, if it is paid to You, You must hold all money received on trust for Us to be applied in making good the loss or damage in respect of which the money is received or, if We so require, in or towards the discharge of the Secured Sums.

3.9 Observance of terms of title conditions etc

3.9.1 You must observe and perform the terms of all title conditions from time to time affecting the Property and binding upon You.

3.9.2 You must not create, release or vary any rights affecting or benefiting the Property unless You have Our written consent.

3.10 Compliance with applicable laws
You must observe all applicable laws relating to or affecting the Property or any development or the use of the Property for any purpose and must execute all works and provide and maintain all arrangements that any authorised person, authority or body recommends, directs or requires should be executed, provided or maintained at any time.

3.11 Creation of other mortgages etc.
You must not, without Our prior written consent (and then only to the extent permitted by and in accordance with any conditions attached to such consent), create or permit to subsist any standard security, pledge, charge, encumbrance, lien or other security interest in the Property other than the Mortgage.

3.12 Sale etc. of Property
You must not sell or dispose of the Property or any interest in it or share or part with possession or occupation of it without Our prior written consent.

3.13 Perfection of security
You must execute and do all such assurances and things as We may require for perfecting the Mortgage, preserving the Property, facilitating the realisation of the Property in such manner as We think fit ; and facilitating the exercise of all powers, authorities and discretions conferred by the Mortgage or by law on Us by Us.

3.14 Payment of costs etc.

(a) Except as expressly agreed otherwise with You, You will pay Your own legal and other professional fees, costs and expenses relating to the preparation and implementation of the Mortgage and/or any other documents in connection with the Mortgage;

(b) You will promptly, on demand pay to Us the amount of all costs and expenses (including, without limitation, legal fees, the costs of any legal proceedings and internal administration costs) together with any value added tax on them, which We reasonably and properly incur on or in connection with the Mortgage including, without limitation, in connection with:

(i) Paragraphs 3, 7, 9, 11 and 12 of these Conditions;

(ii) The Property;

(iii) The preservation or exercise (or attempted preservation or exercise), and/or the enforcement (or attempted enforcement) of, any rights under and/or in connection with, the Mortgage;

(iv) The recovery or attempted recovery of the Secured Sums; and

(v) Dealing with, or obtaining advice about, any matter or question arising out of or in connection with this Mortgage;

Together with interest from calendar day to calendar day thereon from: (i) the due date for payment if specified in the demand; or (ii) if no such due date is specified, the date of demand; or (iii) if earlier than the relevant date in (i) or (ii), at Our discretion (acting reasonably), the date of payment by Us; until the date of payment by You or other discharge in full whether before or after any court judgment. The rate of interest shall be the rate of interest applicable to the Advance(s) and as specified in the Loan Agreement. We will tell you as soon as reasonably practicable that interest is being charged.

4. Our powers (including power of sale)

4.1 The power of sale and other powers given to Us under the Act as varied and extended by the Mortgage and the Loan Agreement and all other powers conferred in the Mortgage (whether under these Conditions or otherwise) shall be deemed to arise and be exercisable immediately after the execution of the Mortgage.

4.2 If You have more than one property mortgaged to Us and You want to pay off just one of those mortgages, We can refuse to redeem the mortgages separately and insist that You pay off all of them, before redeeming any of them.

5. Using Our rights

5.1 Where You need Our consent under these Conditions before doing something, We will not unreasonably withhold or delay that consent. For example, it will be reasonable for Us to refuse to consent to something We reasonably think will:

5.1.1 Make it less likely You can pay Us all Amounts Owed at any time;

5.1.2 Negatively affect Our Mortgage or the value of the Property; or

5.1.3 Have any significant negative impact on Us in relation to the Mortgage.

Where You need Our consent before doing something, You will need it before going ahead and You should therefore ask for consent in good time before going ahead.

5.2 Where:

5.2.1 We have the power to take certain action;

5.2.2 We have the power to require You to take or not to take certain action; or

5.2.3 Something must be to Our satisfaction or must be acceptable to Us, then, unless otherwise specified, We will act reasonably when exercising these rights. For example, We will be acting reasonably if:

5.2.3.1 We act as a prudent lender would; or

5.2.3.2 Using Our rights in that way will assist, in proportion to Our action, in the preservation of Our security or the value of the Property or in Our reasonable opinion is likely to assist in that way.

6. Enforcement of security

6.1 Powers to be exercisable without restrictions
In connection with exercising Our powers, in Our discretion, We may appoint You or Your Personal Representative(s) as Our agent to market the Property on Our behalf. No sale may occur where You are not able to repay in full the Secured Sums including the Amount Owed and any applicable Early Repayment Charge, without Our prior authorisation in writing. On any sale: (i) the amount equivalent to the Secured Sums including the Amount Owed and any applicable Early Repayment Charge; or if less (ii) all amounts; realised by any such sale shall be held in trust for Us and forwarded to Us. Any such appointment may be terminated by Us at any time of Our choosing but in any event will terminate not later than six calendar months after the date of the appointment (unless We otherwise agree in writing).

6.2 Sale of Mortgaged Property
Subject to the provisions of the Act relating to the sale of the Property, where the Property or any part of it is sold by Us it may be sold either:

6.2.1 Together or in parcels;

6.2.2 By public auction or private contract; and/or

6.2.3 For a lump sum, a sum payable by instalments or a sum on account and a mortgage or charge for the balance.

We may, upon any sale, make any special or other stipulations as to title or otherwise that We, acting reasonably, considers expedient, and may buy in, rescind or vary any contract for sale. Any sale will be for the best price We (as the case may be) can reasonably obtain.

7. Money arising on enforcement of security

All money arising from the exercise of the powers of enforcement of the security constituted by or pursuant to the Mortgage shall be applied in the following order of priority:

7.1 In payment or satisfaction of the costs, expenses and liabilities incurred in or about the exercise of such powers or otherwise in relation to the Mortgage or the Property;

7.2 In payment of the interest remaining unpaid; and

7.3 In payment of all principal money, premiums or other sums comprised in the Secured Sums, and any other surplus may be paid to the person so entitled. If We so determine payments may be made on account of such principal, premium or other sums before the interest or the whole of the interest on the Secured Sums has been paid, but such alteration in the order of payment of principal, premium and other sums and interest shall not prejudice Your right to receive the full amount to which You would have been entitled if the ordinary order of payment had been observed or any less amount the sum ultimately realised from the security may be sufficient to pay.

8. Power of attorney

You irrevocably and by way of security appoint Us and any person nominated in writing by Us, separately as attorney of You, for You and in Your name and on Your behalf to execute and deliver and otherwise perfect and do any document, act or thing You ought to execute and do under the covenants, undertakings and provisions contained in the Mortgage and/or the Loan Agreement or that may be required or deemed proper in the exercise of any rights or powers under the Mortgage and/or the Loan Agreement or otherwise for any of the purposes of the Mortgage and/or the Loan Agreement, and You covenant with Us to ratify and confirm all acts or things made, done or executed lawfully and properly by such attorney. For the avoidance of doubt You agree that We may rely on this power of attorney to effect any assignment, transfer or charge under paragraph 16 of these Conditions and/or paragraph 14 of the Loan Conditions.

9. Liability of Us

We shall not by reason of Our entering into possession of the Property or any part of it be liable to account as heritable creditor in possession or for anything except actual receipts (but We shall not deliberately avoid collecting amounts due) or be liable for any loss upon realisation (but We shall use reasonable efforts to realise the best price reasonably obtainable) or for any default or omission for which a heritable creditor in possession might be liable.

10. Persons dealing with Us

10.1 No person dealing with Us, or with Our attorney or agent, shall be concerned, bound or entitled to enquire or be affected by notice as to:

10.1.1 Whether the Mortgage has become enforceable;

10.1.2 Whether any power exercised or purported to be exercised by Us or it has become exercisable;

10.1.3 The propriety or purpose of the exercise of any power under the Mortgage;

10.1.4 Whether any money remains due on the security of the Mortgage; or

10.1.5 The necessity or expediency of the stipulations and conditions subject to which any disposition shall be made.

10.2 The receipt by Us or Our attorney or agent of any money shall effectually discharge the person paying the same from such matters and from being concerned to see to the application or being answerable for the loss or misapplication of such money.

11. Continuing security

11.1 The Mortgage shall be a continuing security to Us and shall not be considered as satisfied or discharged by any intermediate payment of the whole or part of the Secured Sums and shall be in addition and without prejudice to or affect any other standard securities, charges, liens, remedies or guarantees whatsoever that may now or at any time subsequently be held for or in respect of the Secured Sums.

11.2 We may on receiving notice that You have encumbered the Property close any account with You and open a new account and, without prejudice to any rights to combine accounts, no money paid in or carried to Your credit in any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to Us on any such closed account.

11.3 If We do not open a new account or accounts immediately on receipt of such notice We shall nevertheless be treated as if We had done so at the time when We received such notice and as from that time all payments made by You shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce the amount due from You to Us at the time when We received such notice.

12. Default by you

Without prejudice to any other of Our rights and remedies and whether or not the Secured Sums have become due, if at any time You default in the performance of all or any of the covenants contained in the Mortgage or in the Loan Agreement, it shall be lawful, but not obligatory, for Us to perform them or to settle, liquidate or compound or contest any claim made against You and to pay all costs, expenses and damages occasioned as a result, with the power, in the case of the failure to repair buildings or to carry out any works or do any things in accordance with the covenants and obligations contained above, to enter upon the Property and carry out such works or do such things without being deemed in any of the above events to be mortgagee in possession by reason of such entry.

13. Indulgence

We may at any time or times, without discharging or in any way prejudicing the Mortgage or any remedy of Us under the Mortgage, grant to You or to any other person time or indulgence or further credit, loans or advances, enter into any arrangement or variation of rights or abstain from perfecting or enforcing any remedies, securities, guarantees or rights We may now or subsequently have from or against You or any other person.

14. Representation and warranty

You represent and warrant to Us that the execution of the Mortgage and the observance and performance of Your obligations under the Mortgage does not contravene any standard security, charge, lease, loan facility or other agreement.

15. Variation

The Mortgage may not be varied in any manner except in writing signed by You and signed (or acknowledged as binding on Us) by Us.

16. Rights of transfer

16.1 We may assign, transfer or charge the Mortgage and/or Our rights in relation to the Secured Sums and/or any of Our rights under the Mortgage in whole or in part to any person or persons to whom We assign, transfer or charge Our rights under the Loan Agreement at any time.

16.2 We may delegate the exercise of all or any of Our rights and/or the performance of all or any of Our obligations under the Mortgage to any person or persons at any time.

16.3 If We assign, transfer or charge the Mortgage and/or Our rights in relation to the Secured Sums and/or any of Our rights under the Mortgage in whole or in part:

16.3.1 The person who takes over Our rights will have the benefit of Our rights and remedies under the Mortgage and will be able to enforce Your obligations under the Mortgage; and

16.3.2 That assignment, transfer or charge will not affect Your rights under the Mortgage.

16.4 You may not assign, transfer or charge the mortgage or any of Your rights under the Mortgage in whole or in part to any person or persons at any time.

17. Successors

The Mortgage shall be binding upon and shall take and/or have effect and/or serve to the use and/or benefit and/or advantage of each of Our and Your successors and Your Personal Representative(s).

18. Liability

If there is more than one of You, the terms of the Mortgage (incorporating these Conditions) apply to all of You together and to each of You on Your own. This means that each of You can be held fully responsible for the repayment of the Secured Sums.

19. Invalidity/Illegality/Unenforceability

If any of the terms and conditions of the Mortgage is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining terms and conditions shall not in any way be affected or impaired.

20. Notices

20.1 In this paragraph 20 Your 'address' means the address of the Property or any other address which You give Us in writing.

20.2 We may give You notice under the Mortgage by posting or delivering it to You at Your address.

20.3 Notices given by the method described in paragraph 20.2 will be treated as given on the following dates:

Method	Date
First class post (or equivalent)	The first Business Day after the date of posting
Second class post (or equivalent)	The second Business Day after the date of posting

20.4 Any notice We give will come into effect on the day it is given, unless a later date is stated in the notice.

20.5 You may give notice to Us by posting or delivering it to The Administration Department, Pure Retirement Limited, 2200 Century Way, Thorpe Park, Leeds LS15 8ZB or any changed address which We notify You of in writing. If You post a notice to Us, it will be treated as given on the date which would apply under paragraph 20.3 if it had been a notice posted by Us.

21. Rights of Third Parties

The terms contained in the Mortgage (incorporating these Conditions) are not intended to be enforceable by anyone other than You (including Your successor) and Us (including Our successors and any permitted transferee). The operation of the Contract (Third Party Rights) (Scotland) Act 2017 is hereby excluded.

22. Law

22.1 The Mortgage and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with Scots law.

22.2 The courts of Scotland have jurisdiction to settle any dispute or claim that arises out of or in connection with the Mortgage or its subject matter or formation (including non-contractual disputes or claims).

Financial Conduct Authority (FCA)
Tel: 0800 111 6768
Web: www.fca.org.uk

Equity Release Council
Tel: 0844 669 7085
Web: www.equityreleasecouncil.com

Complaints
We hope you will be delighted with our service. But, if we fall short and you wish to complain, please write to our Complaints Officer at the address in the 'How to contact us' section. We will send you an acknowledgement together with a copy of our internal complaint handling procedure. If you are not happy with the outcome of our investigation, you can then take the matter up with:

The Financial Ombudsman Service,
Exchange Tower,
London E14 9SR
Tel: 0800 023 4567
www.financial-ombudsman.org.uk

0113 366 0599
customerservices@pureretirement.co.uk
pureretirement.co.uk

Company registered in England and Wales No. 7240896.

Pure Retirement Limited, 2200 Century Way,
Thorpe Park, Leeds, LS15 8ZB.

Pure Retirement Limited is authorised and regulated by the Financial Conduct Authority. FCA registered number 582621.

Pure Retirement
Providing solutions for your future

Emerald T&C's Scotland 0826 [PRO4280]