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## Pure Retirement Drawdown Lifetime Mortgage Conditions (2013 Edition)

Pure Drawdown Plan – England and Wales

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## 1 Introduction

- 1.1 This document sets out the Terms and Conditions of the Drawdown Lifetime Mortgage which is a lifetime mortgage provided by Pure Retirement Limited and should be read in conjunction with your Offer.
- 1.2 In this document “we”, “us” and “our” means Pure Retirement Limited, and any person to whom its rights are transferred, assigned, sold or are dealt with as described in paragraph 27 and “you” and “your” means the person(s) named as the borrower(s) in the Offer, or the survivor in the case of joint borrowers where one has died, or your Personal Representatives.
- 1.3 Certain expressions used in these Terms and Conditions are defined in paragraph 2 (or elsewhere in the document). You can identify them by the fact that they begin with capital letters (for example, ‘Completion’ and ‘Interest Rate’).
- 1.4 The Pure Promise – we will always act fairly, in good faith and in a reasonable manner towards you when we deal with your Lifetime Mortgage and when we enforce these Terms and Conditions.

## 2 Definitions

- 2.1 In these Terms and Conditions the following expressions have the following meanings:

“Acceptance”	signing of the Mortgage which confirms acceptance of the Offer and the Terms and Conditions;
“Borrower”	the person(s) who have agreed to be bound by the terms of a Loan Agreement;
“Cash Facility”	the total amount that can be borrowed pursuant to the Loan Agreement;
“Charges”	certain fees we apply for providing certain services as set out in the Tariff of Charges;
“Completion”	completion of the Lifetime Mortgage and the release of the Initial Advance in accordance with paragraph 7;
“Costs”	all costs we incur as a result of your failure to comply with your obligations contained in the Offer or the Terms and Conditions.

“Designated Event”	means any of the following: (a) it comes to our attention that any information which you have provided to us when applying for the Lifetime Mortgage is inaccurate or untrue in any material way; (b) You are in material breach of any obligations to us under your Lifetime Mortgage; (c) You leave the property unattended for a continuous period of 3 months or more without our agreement; (d) you become bankrupt, or you enter into a composition or other arrangement with your creditors; or (e) A compulsory purchase order is made for the property;
“Drawdown Facility”	any subsequent monies taken after the Initial Advance from any remaining facility as described as available in the Offer; and detailed in paragraph 14;
“Early Repayment Charge”	the charge payable if you repay all or part of the Total Outstanding early. The early repayment charge is calculated in accordance with section 13 of your Initial Advance Offer, section 14 of your Further Advance Offer and Section 7 of your Drawdown Facility Offer;
“Fees”	any fees to be added to the Initial Advance or any advance under the Drawdown Facility as stated in the Offer;
“Further Advance”	any further advance we make to you after the Cash Facility has been fully drawn as described in paragraph 15, which will be secured by the Mortgage;
“Initial Advance”	the initial amount of the Cash Facility that is borrowed on Completion;
“Interest”	any interest payable under the Lifetime Mortgage;
“Interest Rate”	the rate(s) of interest per annum applicable to the Initial Advance and to any advance under the Drawdown Facility and any amounts added to the Total Outstanding;
“Leasehold”	where you have (or will on Completion have) the benefit of lease of the Property pursuant to which you are entitled to exclusively possess the Property for a fixed period of time;
“Lifetime Mortgage”	the Offer, the Mortgage, the Terms and Conditions together with any Offer for a Further Advance;

“Loan Agreement”	the loan agreement signed by you which incorporates these Terms and Conditions and which is made up of the Offer and the accompanying letter;
“Long Term Care”	means permanently leaving the property to go into residential or nursing care, sheltered accommodation, or to live with relatives who will be your carers or arrange domiciliary care for you. This will be due to a deterioration of your physical or mental health to such an extent that you can no longer live independently without assistance and it is unlikely that your condition will improve sufficiently to enable you to move back into the property;
“Loan to Value”	the loan amount that we are is prepared to offer compared against the value of the property;
“LPA”	the Law of Property Act 1925 (as amended, varied, supplemented or replaced from time to time);
“Maximum Early Repayment Charge”	the maximum Early Repayment Charge applicable to the Initial Advance or any advance as specified in section 13 of the offer plus the Early Repayment Charge applicable to any advance under the Drawdown Facility.
“Mortgage”	the legal charge or mortgage deed over the Property which you give to us to secure the Total Outstanding which incorporates these Terms and Conditions;
“Occupier’s Deed”	means the deed or deeds to be executed by all people other than yourself (ves) who live in or will be living in the Property. The deeds will be in a form that we provide to the solicitors instructed by the occupier;
“Offer”	means the offer document we send to you containing details of the Cash Facility and Initial Advance and any subsequent offer document we may issue for any Further Advance;
“Personal Representative(s)”	the person(s) who are legally responsible for dealing with your affairs after death;

“Property”	the property described in the Mortgage as specified in the Offer letter;
“Redemption”	repayment of the Total Outstanding in full;
“Special Conditions”	the conditions contained in Section 17 of the Offer;
“Specified Repairs/Improvements”	any repairs, improvement or other works to be carried out as specified in the Special Conditions;
“Tariff”	means the document entitled “Tariff of Charges” we issue from time to time;
“Tenants in Common”	ownership of the property is divided in proportion between the joint owners e.g. 50% each;
“Terms and Conditions”	means these terms and conditions;
“Total Outstanding”	the total amount you owe us at any time including but not limited to all sums payable by you in connection with Cash Facility and any Drawdown Facility, including the Initial Advance and any drawdowns (if applicable) the arrangement Fee plus all interest accumulated on the Initial Advance, Drawdown Facility, any Further Advances taken plus all interest accumulated plus any and all unpaid Costs and Charges plus, when the Total Outstanding is being determined in connection with early repayment, any Early Repayment Charge(s) determined less all amounts you have paid to us in connection any Initial Advance, Drawdown Facility or Further Advances
“Valuation”	the valuation of the Property that we obtained before we issued the Offer;
“Works”	repairs or works to be carried out on the Property to effect the Specified Repairs/Improvements;

- 2.2 References to paragraph(s) mean paragraph(s) in these Terms and Conditions unless otherwise stated.
- 2.3 If the terms of any Offer are not consistent with anything in the Terms and Conditions, the terms of the Offer prevail.

### A. Pre-Completion

#### 3 Acceptance and Validity

- 3.1 Within 42 days of the date of the Offer, we must receive your Acceptance of the Offer and your solicitor's confirmation that he or she has explained to you:
- (a) The terms of the Offer;
  - (b) The documents you have to sign; and
  - (c) The implications to you and your estate(s) of entering into the Lifetime Mortgage. If we do not receive your Acceptance and your solicitor's confirmation by this time, we will have the right to withdraw the Offer, and reject any Acceptance received after this date.
- 3.2 If Completion does not take place within 90 days of the date of the Offer, we will have the right to withdraw our Offer of the Cash Facility. If we extend the original Offer or issue a new Offer we reserve the right to require a new valuation to be undertaken and you will be required to pay for any additional costs as a new fee.
- 3.3 Prior to Completion we will have the right to withdraw our Offer if:
- 3.3.1 It comes to our attention that any information which you have provided to us when applying for the Cash Facility is inaccurate or untrue in any material way; or
  - 3.3.2 There is a material change in your status;
  - 3.3.3 There is a material reduction in the value of your Property;
  - 3.3.4 There is a material defect in, or restriction on, your title to the Property.

#### 4 Conditions

- 4.1 Before Completion we must receive the following documentation and in each case we must be satisfied with its form and content:
- 4.1.1 The Mortgage signed by you;
  - 4.1.2 Confirmation from your solicitor that he or she has fully and clearly explained to you the terms of the Offer, the Mortgage, the Terms and Conditions and the implications for you and your estate of entering into the Lifetime Mortgage and the circumstances in which the Total Outstanding will become payable;

- 4.1.3 Confirmation from our solicitor that you have good and marketable title to the property (including where there are joint Borrowers, that any lease of the Property is owned by both Borrowers), that any lease of the Property is acceptable as security and that there are no outstanding mortgages, charges or encumbrances over the Property or that they will be discharged at Completion.
- 4.1.4 Confirmation that the Property is insured in accordance with paragraph 18, evidence that the premiums are paid to date;
- 4.1.5 If the Property is Leasehold, confirmation from our solicitor that the service charge arrangements are satisfactory and adequately funded and the share certificate relating to any share which you may have in any management company is deposited with us together with a signed, undated stock transfer form;
- 4.1.6 Where any other person will occupy the Property at Completion, Occupier's Deeds executed by any such people and evidence that they have received independent legal advice; and
- 4.1.7 Evidence that all Special Conditions required to be satisfied at Completion have been satisfied.

## **5 Legal Advice and Valuations**

- 5.1 You must take independent legal advice in connection with your obligations under the Lifetime Mortgage. For the avoidance of doubt, you are responsible for meeting your own legal fees incurred in arranging the Lifetime Mortgage.
- 5.2 The Valuation has been prepared solely to enable us to consider your application for the Lifetime Mortgage. Accordingly, we are not giving you any warranty as to its accuracy or reliability and we will not be responsible to you or your estate in any way in respect of the Valuation, its accuracy or reliability or any other matters relating to it.
- 5.3 We reserve the right to revalue the Property every two years and you agree to give us access on reasonable prior notice to carry out such revaluation, survey or inspection if required. We will not charge you for carrying out these inspections. Any revaluation report is solely for our benefit and you will not receive a copy of it.

## **6 Specified Repairs/Improvements**

- 6.1 This paragraph 6 only applies if there are Specified Repairs/Improvements
- 6.2 We will keep back from the Initial Advance the amount specified in the Offer for the Works. The Works must be carried out by the date specified. If they are not, we will be entitled (but not obliged) to arrange for the Works to be done. You will permit access to the Property to us and the agents, workmen and contractors used for this purpose.
- 6.3 If the cost of the Works (and any expenses we incur in doing them) is more than the amount specified in the Offer, you will be responsible for paying the excess as a Cost.

- 6.4 In the case of repairs we reserve the right for us, or our agents, to inspect the Works to ensure that they have been done satisfactorily before we pay the amount kept back to you in accordance with paragraph 6.2.
- 6.5 If the Works include improvements, our surveyor will be instructed to inspect again to ensure that the improvements have been carried out to a satisfactory standard and to the specification, estimate or plan that he was shown when arriving at his valuation figure. You will be responsible for the cost of re-inspection as a Cost and this is NOT refundable by us. On receiving a satisfactory report from the surveyor, we will pay you the amount we kept back in accordance with paragraph 6.2.

### 7 Completion

- 7.1 Completion will take place as soon as reasonably possible after the conditions specified in paragraph 4.1 have been satisfied.
- 7.2 On Completion we will pay the Initial Advance to your solicitors less any amounts retained under the Offer and any amounts required to redeem any existing mortgage(s) or secured loan(s).
- 7.3 If the Offer refers to redemption of existing mortgage(s)/secured loan(s), our solicitors will be required to redeem the existing mortgage(s)/secured loan(s) at the same time as the Completion occurs. If the total amount required to repay the existing mortgage(s)/secured loan(s) is more than the Initial Advance you will be responsible for paying the extra amount required to our solicitors in time for Completion.
- 7.4 Following Completion we will send you a letter confirming the date of Completion.

## B. Charges and Interest

### 8 Interest

- 8.1 Interest is charged at the Interest Rate set out in the Offer and any subsequent Offer, at the Interest Rate that is fixed for each Initial Advance, and any Drawdown under the Drawdown Facility and/or Further Advance. The relevant Interest Rate is fixed on the date of the relevant drawdown. Interest will continue to apply at these fixed rates until the Total Outstanding has been repaid in full.
- 8.2 Interest will be accrued and calculated daily on the Total Outstanding from the date on which the Initial Advance, any amount under the Drawdown Facility or each Further Advance is advanced or the Fee is incurred until the Total Outstanding is fully repaid.
- 8.3 Interest will also be calculated daily on all Costs and Charges as part of the Total Outstanding when these are applied to the account under paragraph 9.4. Where different interest rates apply to each of the Initial Advance and each Advance under the Drawdown Facility and any Further Advance, Interest on any Costs and Charges will be allocated and charged on a pro rata basis.

- 8.4 Interest will be charged over 365 days in a normal calendar year and over 366 days in a leap year.
- 8.5 The accrued interest is added to each Initial Advance, and each advance under the Drawdown Facility or Further Advance at the end of each calendar month so increasing the Total Outstanding. We will then charge Interest on this new balance. Details of the effect of this compounding of interest can be seen in section 8 of the Offer.
- 8.6 At least once in every year for the duration of your Lifetime Mortgage we will send you a statement showing how much interest we have added to your Initial Advance, and each Advance under the Drawdown Facility any Further Advance(s) and the Total Outstanding.
- 8.7 When you repay the Total Outstanding it will include interest from the first day of the month until the repayment date.

## 9 Charges Costs and the Tariff

- 9.1 In the Tariff we set out certain fees and charges for providing various services. We may amend these, remove Charges or introduce new Charges, from time to time. We will only increase a Charge to reflect reasonable increases in our costs for providing the relevant service.
- 9.2 We will send you a copy of any revised Tariff at least one month before it takes effect.
- 9.3 We will only introduce new Charges where these reflect genuine actual or reasonably anticipated costs for providing the relevant service.
- 9.4 Costs and Charges will be applied to your account when they are incurred. We will notify you of this when this has been done. Costs and Charges will incur Interest as set out in Paragraph 8.3.

## C. Repayment

### 10 Repayment

- 10.1 The Total Outstanding becomes due and payable when the first of the following events occurs:
- 10.1.1 If you are the only borrower:
- (i) When you die or,
  - (ii) When you leave the Property permanently because you need long term care.
- 10.1.2 If you are joint borrowers:
- (i) When you have both died or,
  - (ii) When both of you leave (or the survivor of you leaves) the Property permanently because you need long term care or,
  - (iii) When one of you has left the Property permanently because you need long term care and the other dies.

- 10.1.3 If a Designated Event occurs.
- 10.2 We may ask you for reasonable information or evidence about why you are going into long term care. You will provide us with this information within a reasonable period of the request.
- 10.3 For a period of 6 months from the date of the occurrence of an event under paragraph 10.1.1, 10.1.2 or 10.1.3, you or your Personal Representatives will be given the opportunity to arrange a sale of the Property. During this period reasonable action must be taken to sell the entire Property.
- 10.4 You or your Personal Representatives must inform us of the proposed sale price of the Property and provide any other information which we may reasonably require. Where the sale price (net of any expenses which may be incurred on sale) is less than the Total Outstanding then you must seek our prior written approval to the sale.
- 10.5 We may obtain an independent valuation to ensure that the Property is sold at the best price reasonably obtainable. If we do, you must pay the valuer's fee and we can insist that you use this figure as the sale price.
- 10.6 If we are unable to agree a sale price the matter will be referred to a surveyor who is acceptable to us both. If we cannot agree a surveyor within fourteen days, both parties will accept the appointment suggested by the president of the Royal Institution of Chartered Surveyors. The surveyor will be acting as an expert and his decision as to the sale price will be final and binding.
- 10.7 Any sale must be at arms' length on the best terms reasonably obtainable.
- 10.8 If at any time during the 6 month period set out in paragraph 10.3 we consider, acting reasonably, that insufficient action is being taken to sell the Property we may demand immediate repayment of the Total Outstanding.

### 11 Early/Voluntary Repayment

- 11.1 Although the Lifetime Mortgage is designed to last for the rest of your life or until you leave the property permanently because you need long term care, you may at any time repay all or part of the Total Outstanding.
- 11.2 If you voluntarily repay all or part of the Total Outstanding (or if the Total Outstanding is repayable following a Designated Event) we may charge an Early Repayment Charge. Section 13 of your Initial Advance Offer, section 14 of your Further Advance Offer and section 7 of your Drawdown Facility Offer sets out the circumstances in which you will or will not have to pay the Early Repayment Charge and how it is calculated.
- 11.3 Under no circumstances will the Early Repayment Charge exceed the Maximum Early Repayment Charge.

## 12 No-Negative-Equity Guarantee

- 12.1 Subject to paragraph 12.2, 12.3 and 12.4, if the Property is sold under paragraph 10 and the net proceeds of sale are insufficient to discharge the Total Outstanding in full, we will not make any claim against you or your estate for the shortfall.
- 12.2 If your Personal Representatives wish to sell the Property during the 6 month period referred to in paragraph 10.4 or if the Property is to be sold for any other reason and a Designated Event has occurred but the proposed sale price is such that the net proceeds of sale will be insufficient to repay the Total Outstanding in full, we will only be obliged to agree to the sale and release the Mortgage where we are satisfied that the proposed sale price reflects the open market value of the Property and the costs and expenses of the proposed sale are reasonable.
- 12.3 Please note that this 'no-negative-equity guarantee' does not apply on a voluntary sale by you under paragraph 13.
- 12.4 Please note that this 'no-negative-equity guarantee' does not apply following a Designated Event.

## D. Changes in Circumstances

### 13 Sale of the Property

- 13.1 If you wish to sell the Property and none of the events in paragraph 10.1 have occurred, you (or if joint borrowers, both of you) must give us written notice of your intention and we will consent to the sale provided that the net sale proceeds will be sufficient to repay the Total Outstanding, including any Early Repayment Charge.

### 14 Drawdown Facility

- 14.1 Under the Drawdown Facility you may be able to borrow additional amounts (if you did not take the maximum available as your Initial Advance) up to the amount as determined from the maximum available Cash Facility as detailed in your Offer.
- 14.2 The availability of the Drawdown Facility is not guaranteed.

### 15 Further Advances

- 15.1 You may in the future apply to us for a Further Advance.
- 15.2 We confirm that it will be our intention to approve any application which you may make for a Further Advance provided that the value of the Property is sufficient and your application fulfils both our underwriting policy or the underwriting policy of any party to whom we have sold or transferred our rights under the Lifetime Mortgage and the Terms and Conditions in force at the time we receive your application.
- 15.3 Please note that this paragraph 15 does not impose any legally binding obligation on us to accept any application for a Further Advance.

### 16 Moving Property

- 16.1 If you wish to sell the Property and acquire a new property (called here the New Property), you may apply to us to vary the terms of the Lifetime Mortgage so that the New Property is substituted for the Property. If two of you are taking part in the Lifetime Mortgage both of you must make the application. If you wish to apply, please submit a written request, giving details of the New Property. You will have to pay all our reasonable costs relating to the move and the fee we charge at that time for applications to transfer the Mortgage from the Property to the New Property.
- 16.2 We will only accept your application where:
- 16.2.1 there is an acceptable valuation of the New Property;
  - 16.2.2 your application satisfies the underwriting and other criteria we apply to any new applications at that time; and
  - 16.2.3 you have kept to the terms of your Lifetime Mortgage.
- 16.3 We will issue a new Offer and will require a new Mortgage over the New Property.
- 16.4 If you are moving to a lower value property this may require a partial repayment of the Total Outstanding however no Early Repayment Charge will be payable.
- 16.5 The release of our Mortgage on the Property and the substitution of the Mortgage on the New Property must take place simultaneously.

### 17 Marriage or Remarriage and Civil Partnerships

- 17.1 In the event that you get married or enter a civil partnership you are required to inform us in writing and will require our consent before your new spouse or civil partner can occupy the Property (see paragraph 20).
- 17.2 Your spouse or civil partner will be required to sign a written acknowledgment of the existence of the Mortgage and confirm that he/she waives any interest they may have in the Property.
- 17.3 Alternatively, you can apply to us for your Property to be transferred into the joint names of you and your spouse or civil partner and for your spouse or civil partner to be added to the Mortgage subject to our underwriting policy. This may involve partial repayment of the Total Outstanding. You will be responsible for all costs associated with this transfer.

## E. Ongoing Obligations

### 18 Insurance

- 18.1 We require that you insure the Property at all times with a reputable insurer in the manner set out in section 12 of your Initial Advance Offer, section 13 of your Further Advance Offer. You will be responsible for the cost of this.

- 18.2 You must not do anything to invalidate the insurance cover.
- 18.3 You must pay all insurance premiums on time but if you fail to do so we will be entitled (but not bound) to obtain suitable insurance to our (but not your) interest in the Property and you must reimburse us our costs.
- 18.4 Unless we agree otherwise in writing, all insurance proceeds will be applied in making good the loss or damage to the Property. If you, or in the case of joint borrowers both of you, have died or ceased to live permanently at the Property because you need long term care, before the insurance proceeds are received, we will be entitled to use them to repay the Total Outstanding.

## 19 Repairs

- 19.1 You must keep the Property and all its buildings, fixtures and other structures in good and substantial repair and condition, and fully protected from damage and deterioration as a result of weather or malicious damage.
- 19.2 We will be entitled to inspect the Property every two years to ensure that it has been maintained and repaired in accordance with the provisions of paragraph 19.1.
- 19.3 You must permit our representatives or our agents to enter the Property for the purpose in paragraph 19.2 provided that we have given you at least seven days' notice.
- 19.4 If, after inspection, we consider that any repairs are necessary, we will give you notice and require you to do them within six months. However we may specify a shorter period if we reasonably consider that the repairs are urgently required. You must notify us of their completion. We or our agents will be entitled to re-inspect the property on seven days' notice to check that the repairs are satisfactory.
- 19.5 If you fail to repair the Property in accordance with any notification which we give you under paragraph 19.4 within the specified period, we will be entitled (but not bound) to carry out the repairs ourselves. You must permit access to the Property to us and our agents, workmen and contractors for this purpose. You will reimburse us for all reasonable costs and expenses which we incur in carrying out the repairs as Costs.

## 20 Tenancies, Mortgages and Alterations

- 20.1 You must not create any tenancy or licence, or otherwise part with possession, or let any person (including your husband or wife if you marry after completion or your civil partner if you enter a civil partnership after Completion) into occupation, of the whole or any part of the Property (each of these things is called a 'Relevant Event' in this paragraph 20) at any time unless:
- 20.1.1 You have given us prior written notice of the Relevant Event, you have obtained our written consent to the Relevant Event, and you have complied with any reasonable conditions we have set for giving you this consent; and

- 20.1.2 The intended occupant has signed an Occupier's Deed after first receiving independent legal advice from a solicitor of the occupier's choice who must not be from the firm who acted for you.
- 20.2 We will act reasonably in deciding whether to grant the consent referred to in paragraph 20.1.
- 20.3 If we become aware that a Relevant Event has occurred without our consent, we have the right to require such tenant(s), licensees(s) or other person(s) to leave the Property. If we delay in enforcing this right, we may still enforce it at any time.
- 20.4 Once the Occupier's Deed has been executed, the occupant may live in the Property for up to three months after your death (or the survivor's death in the case of joint Borrowers). If you (or the survivor) cease to live permanently at the Property because you need Long Term Care the occupant may live in the Property for up to three months from the date on which you (or the survivor) ceased to live permanently at the Property.
- 20.5 You must not transfer, assign or dispose of your interest in the Property to any person or create any mortgage or charge (other than the Mortgage) over the Property.
- 20.6 You must not carry out or permit to be carried out any material alterations to the Property or build new buildings or remove any existing buildings or structures without our written consent. We will act reasonably in considering whether or not to give our consent.

### **21 General obligations relating to the Property**

- 21.1 You must:
- 21.1.1 Only use the Property as a domestic residence and not for any commercial or business purpose;
  - 21.1.2 Comply with all statutory and planning requirements relating to the Property. You must not apply for any planning permission without our prior written consent (and we will act reasonably in considering whether to grant this);
  - 21.1.3 Inform us immediately if you receive any notice, order or other document relating to the Property; and
  - 21.1.4 Perform and observe all covenants and comply with all obligations imposed by law or the requirements of any relevant authority relating to the Property including payment of all rates, taxes, duties and other charges imposed on the Property or you as owner of the Property.
- 21.2 You undertake to:
- (a) Inform us promptly of any intention to stop living at the Property for any period exceeding one calendar month; and
  - (b) Comply with the terms of your Property insurance, for example, the need to notify your insurers about periods of absence from the Property.

- 21.3 When you have died, or in the case of joint Borrowers when you have both died, the person who is responsible for your estate, or the estate of the survivor of you, will be required to comply with the obligations set out in paragraphs 18.1, 19.1, 21.1.
- 21.4 You agree promptly upon request to sign any document and do anything else which we reasonably request you to do in order to:
- (a) Perfect any security created or intended to be created for the repayment of the Total Outstanding;
  - (b) Help the exercise or the proposed exercise by us or any of our powers under the Lifetime Mortgage; and
  - (c) Protect, manage or sell the Property or any other security for the repayment of the Total Outstanding.

## 22 Leasehold Properties

- 22.1 If the Property is Leasehold you must:
- 22.1.1 Comply with all the terms of the relevant lease;
  - 22.1.2 If served with any forfeiture notice by the landlord or proceedings are commenced for forfeiture of the lease or the landlord attempts to evict you, you must inform us immediately in writing. You must then take such action as we may reasonably require. If you fail to take such action, we will be entitled (but not bound) to take such action as we reasonably consider appropriate. You will reimburse us for all reasonable costs and expenses which we may incur as Costs.
  - 22.1.3 Not exercise any right you may have to acquire the freehold of the property or extended lease without our prior written consent (and we will act reasonably in considering whether to grant this); and
  - 22.1.4 If you acquire the freehold or an extended lease of the Property you must sign a mortgage in our favour over your interest in the freehold or extended lease.

## 23 Joint Borrowers

- 23.1 In a case of Joint Borrowers your obligations to us will be joint and several. This means that you are both responsible to us for the full Total Outstanding and if one of you does not comply with any obligation, you will both be fully responsible for the full consequences of such failure.
- 23.2 If your Property is held by you jointly as beneficial Tenants in Common you both acknowledge that your right, under the Terms and Conditions, to live in your home for the rest of your lives is a right that may be affected by your rights against each other. In particular you both acknowledge that the right of each of you (including those deriving title from you e.g your Personal Representatives) to seek a court order for the sale of your home following the death of one of you may result in the right that the survivor has to remain in the home until that survivor's death being overridden by such a court order.

## F. Our Rights

### 24 Our rights

- 24.1 Section 93 of the LPA, which restricts our ability to consolidate mortgages, shall not apply to the Mortgage.
- 24.2 If there is (a) a Designated Event or (b) the Total Outstanding has otherwise been due and payable for at least 6 months, as well as our other rights under the Terms and Conditions and the Mortgage, we shall have the following additional rights, whether or not demand for payment has been made:
- 24.2.1 We will be entitled to immediate repayment of the Total Outstanding;
- 24.2.2 We may sell the Property under the power of sale given to us by the LPA or our general power of sale. We may use the net proceeds of sale to repay the Total Outstanding; and
- 24.2.3 We may appoint a receiver as described in paragraph 25.
- 24.3 Our right to sell the Property will continue even if you remedy any breach.
- 24.4 If we sell the Property, we shall deduct the Total Outstanding (including selling costs and our reasonable expenses) from the proceeds of sale.
- 24.5 If you leave the Property for a continuous period of 6 calendar months or more and we or a receiver take possession of it, we may remove any personal belongings which you leave behind. We may sell those belongings or store them on your behalf. If we sell those belongings we may use the net proceeds of sale to reduce the Total Outstanding. If we store them, you will be responsible for the storage costs.
- 24.6 Your Property and the Mortgage are security for the Total Outstanding and any other money you owe us under any account whatsoever that you hold with us thereby entitling us to utilise the proceeds of sale of the Property to settle any outstanding liability you have in respect of any account with us or to require you to pay sufficient from the sale proceeds to satisfy your liability to us should you proceed to sell the Property in accordance with paragraph 13.

### 25 Appointment of receivers

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

- 25.4 We may agree payments to any receiver we appoint although you will be responsible for payment of the receiver.
- 25.5 If we appoint a receiver we may take out any indemnity insurance reasonably required by the receiver in connection with his appointment. You will be responsible for the cost of this.
- 25.6 At any time after taking possession of the Property or appointing a receiver we may give up possession or cancel the receiver's appointment. If we decide to do this, we will tell you as soon as possible.

## **26 Power of Attorney**

- 26.1 For the purpose of protecting or preserving our interest in the Property and our rights under the Lifetime Mortgage, you appoint us and any receiver appointed by us to be your attorney. The attorney will be legally entitled to do things on your behalf and the attorney's acts will bind you as though you had done them.
- 26.2 Under the power of attorney, we may;
- 26.2.1 Execute any document or do anything which you are required to do under the Terms and Conditions; or
- 26.2.2 Delegate our power of attorney to third parties where this is reasonably necessary to help the exercise of our powers.
- 26.3 We will not be liable for anything which is done under the power of attorney unless we have not used reasonable care in exercising the power.
- 26.4 You cannot revoke this power of attorney until the mortgage has been discharged.

## **27 Assignment**

- 27.1 We are entitled to assign, sell or transfer or otherwise deal with any of our rights under the Lifetime Mortgage (called in this paragraph 27 a 'Transfer') to any person. By entering into this Lifetime Mortgage you consent to a Transfer without any further consent being required from you. You agree promptly to enter into any documents necessary to give effect to such a Transfer.
- 27.2 Any such Transfer will be made subject to your rights under the Lifetime Mortgage and will not reduce your guarantees under the Lifetime Mortgage.
- 27.3 We will be entitled to disclose to any actual or potential assignees or transferees (and their advisers) any information about you or the Lifetime Mortgage that we reasonably consider appropriate in connection with the actual or potential assignment or transfer of the Lifetime Mortgage.
- 27.4 Following any such Transfer, any references in the documents comprising the Lifetime Mortgage to lending or underwriting criteria shall be deemed to refer to the lending or underwriting criteria of the party to whom the Transfer was made.

## G. Miscellaneous

### 28 Notices

- 28.1 Every notice or other communication between you and us will be in writing. In the case of a notice or communication from us to you or your current address, we will send it to you or them at the Property.
- 28.2 If we know that you do not live at the Property and we know your current address, we will also try to send a copy to you at your current address. If for any reason we do not know your current address, the service of the notice will remain valid.
- 28.3 When you wish to send us any notice or communication, you must send it to Pure Retirement, 4305 Park Approach, Thorpe Park, Leeds LS15 8GB.
- 28.4 If we have to prove service of any notice, it will be sufficient to prove that the notice, addressed as set out above, was placed in the first class post. Notice will be treated as served two days after posting even if it may have in fact been returned as undelivered.

### 29 Governing Law and Jurisdiction

- 29.1 The Lifetime Mortgage between us and you is governed by the laws of England and Wales.

**Pure Retirement Limited**

Tel: 0113 366 0599

Web: [www.pureretirement.co.uk](http://www.pureretirement.co.uk)

Email: [customerservices@pureretirement.co.uk](mailto:customerservices@pureretirement.co.uk)

**Financial Conduct Authority (FCA)**

Tel: 0800 111 6768

Web: [www.fca.org.uk](http://www.fca.org.uk)

**Equity Release Council**

Tel: 0844 669 7085

Web: [www.equityreleasecouncil.com](http://www.equityreleasecouncil.com)

**Complaints**

The Financial Ombudsman Service,

South Quay Plaza,

183 Marsh Wall,

London E14 9SR

Tel: 0845 080 1800

[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

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Pure Retirement Limited, 4305 Park Approach, Thorpe Park, Leeds, LS15 8GB

**[www.pureretirement.co.uk](http://www.pureretirement.co.uk)**

Company registered in England and Wales No. 7240896.

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