2026 – Edition 1

Legal & General Home Finance

Lifetime Mortgage
Terms and Conditions

Contents

A. Introduction

This document sets out the terms and conditions that apply to **your Lifetime Mortgage** with **us**. **You** should read these **Conditions** together with **your Offer of Loan**, the **Mortgage Deed**, the **Your Guide To Early Repayment Charges**, and the **Tariff of Charges**, and, if **your Property** is in Scotland, the **CFRA Standard Conditions,** all of which form part of **your Lifetime Mortgage** with **us.**

Should there be any inconsistency between the documents referred to above, **we** will give priority to the terms of the **Offer of Loan**, then the **Mortgage Deed**, then the **Your Guide To Early Repayment Charges**, then the **Tariff of Charges**, then these **Conditions** and, finally, if **your Property** is in Scotland, the **CFRA Standard Conditions**.

Property in Scotland

If **your Property** is in Scotland, there are some differences and special **Conditions** that **you** need to know about. We've used this icon to highlight where there are any differences to the terms and conditions that **you** need to review.

Any references in these **Conditions** to any word, expression or practice under English law are references to the equivalent or nearest equivalent word, expression or practice under the law of Scotland.

Product Specific Terms

This document sets out the terms and conditions for **your Lifetime Mortgage**, which will be either:

- **Interest Roll Up Lifetime Mortgage**
- **Optional Payment Lifetime Mortgage**

Definitions and interpretation

You will find several terms in these **Conditions** which are in bold. This indicates that the term is defined in **Condition** 27 (unless it is defined in the relevant **Condition** itself) and has the meaning given to it in that **Condition. Condition** 28 also describes how **we** interpret these **Conditions.**

When **we** refer to "**you**" or "**your**" in these **Conditions**, **we** are referring to all **Borrowers** together (if there is more than one) and each **Borrower** separately. Should **you** die, become bankrupt or become unable to manage **your** affairs, references in these **Conditions** to "**you**" also include **your** legal representatives, as outlined more fully in **Condition** 28.

Examples, explanations and introductions

We know that legal documentation can sometimes be difficult to understand, and **we** have tried to avoid legal language.

Sometimes this hasn't been possible, and **we** have instead included some examples and explanations to help **you** understand the effect of the **Condition. We** have also inserted a short introduction to Sections B to G of these **Conditions**, which summarises what that Section is about.

These examples and explanations and the introductory paragraphs to Sections B to G are clearly indicated by the keynote box that they appear in. The examples and explanations and the introductory paragraphs are non-exhaustive and illustrative. **We** have included them to make the **Conditions** themselves easier to understand but it is important to remember that they don't tell **you** everything **you** need to know or cover every possible situation. **You** should always read the examples and explanations and the introductory paragraphs in the context of the entire **Condition** and with the rest of these **Conditions**.

If **you** have any doubts or questions about these **Conditions** or any other document given to **you** in connection with **your Lifetime Mortgage**, **you** should seek independent legal advice.

Dealing with you and your Lifetime Mortgage

We will comply with the Financial Conduct Authority's rules and guidance and act honestly, fairly and professionally and proactively work to deliver good customer outcomes when dealing with **you** and **your Lifetime Mortgage**.

B. About your lifetime mortgage

This Section B sets out further detail about **your Lifetime Mortgage** and how it operates, in relation to the interest that is payable and the **Charges** that **you** may incur. These **Conditions** supplement the information about **your Lifetime Mortgage** in **your Offer of Loan**. Please pay close attention to the terms of **your Offer of Loan**, which will prevail over these **Conditions**.

1. Interest applicable to your Lifetime Mortgage

1.1 For **Interest Roll Up Lifetime Mortgages we** will calculate interest daily on the debit balance shown on **your Account** at the end of that day and **we** will enter this interest in **your Account** on a monthly basis on the last day of each month.

1.2 For the purpose of calculating interest payable under the **Interest Roll Up Lifetime Mortgage**, each day shall be treated as 1/365th of a year (or 1/366th of a year in any leap year).

1.3 For **Optional Payment Lifetime Mortgages**, on each **Payment Date we** will calculate interest in respect of that month based upon the **Interest Rate** and the **Amount Owed** shown on **your Account** and add this interest to the **Amount Owed** as shown on **your Account**.

1.4 For the purpose of calculating interest payable under the **Optional Payment Lifetime Mortgage**, each month shall be treated as 1/12th of a year and start on each **Payment Date**.

1.5 Interest is charged on a compounding basis which means that interest is charged on all of:

(a) the amount of the **Loan**;

(b) any **Charges** that are applied to the **Account** in accordance with **Condition** 2; and

(c) any interest which has already been charged and added to the **Account**.

1.6 Payments which are credited to **your Account** will, once they are cleared funds, immediately reduce the balance on which interest is charged.

1.7 Interest will continue to accrue on the **Amount Owed** at the **Interest Rate** from when the **Loan** was advanced until the **Amount Owed** is fully repaid. This includes the time from when any **Repayment Event** occurs until the **Amount Owed** is fully repaid. It also includes any period before and, so far as allowed by law, after:

(a) any court order **we** obtain requiring payment; or

(b) any other action that **we** take when exercising **our** powers in connection with the **Lifetime Mortgage** and/or the **Property**, until the **Amount Owed** is fully repaid.

2. Charges you must pay

Types of Charges

2.1 **Your Offer of Loan** sets out a number of fees (known as **Charges**) which are part of the cost for **your Loan** and are incurred prior to **Completion**. Separately there are a number of **Charges** which may arise throughout the life of **your Lifetime Mortgage**.

2.2 **We** will tell **you** when **you** have incurred a **Charge**. **You** must pay **us our Charges**. Where **we** are able, **we** will set out the amount of the **Charges** in **our Tariff of Charges**. Where **we** are unable to state the amount of the **Charge** in advance (because, for example, **we** incur external costs), **we** will charge a reasonable amount which will include the amount of any external costs which **we** may incur.

2.3 **We** may apply **Charges** in the operation and administration of **your Account**. The amount of these **Charges** will be set out in **our Tariff of Charges**. Examples include (but are not limited to):

- where **you** ask **us** to provide a document or a service in connection with the **Lifetime Mortgage**, whether to **you** or anyone else;
- a change of ownership if **you** wish to add or remove a joint owner;
- changes affecting legal title to the **Property**;
- releasing part of **our** security under the **Lifetime Mortgage**; or
- where **you** wish to transfer **your Lifetime Mortgage** to another property.

2.4 **We** may reasonably incur costs in order to protect the value of the security we have taken over **your Property**. These costs will be applied to **your Account** as **Charges** which **you** must repay to **us**. This includes any costs **we** reasonably incur because **you** fail to fulfil an obligation **you** have under the **Lifetime Mortgage**. Where **you** fail to fulfil an obligation under the **Lifetime Mortgage** and **we** incur costs as a result, **we** will reasonably calculate any **Charges** payable by **you**.

2.5 Examples of circumstances where **we** may apply such **Charges** include:

- any legal proceedings and any associated costs relating to **your Lifetime Mortgage**;
- exercising any of the rights or powers given to **us** by law or under **your Lifetime Mortgage**;
- recovering any of the **Amount Owed**;
- doing anything **you** are obliged to do under **your Lifetime Mortgage** but fail to do (such as insuring or repairing the **Property**);
- taking action when there is an **Event of Default**; and
- protecting or preserving **our** security.

Example

If **you** don't make necessary repairs to the **Property**, like fixing a damaged roof, **we** might arrange maintenance work on **your** behalf. **You** will be responsible for paying any associated costs incurred by **us**, which will be applied as **Charges** to **your Account**.

2.6 Where costs are incurred by **us** because **you** have not complied with the terms of **your Lifetime Mortgage**, any action taken by **us** or on **our** behalf to protect **our** security does not stop **you** being in breach. Similarly, **your** repayment of the **Charge**, or the addition of the **Charge** to the **Amount Owed**, does not stop **you** being in breach.

Example

If **you** don't insure the **Property** as **you** are required, **we** may step in and arrange insurance on **your** behalf. **You** will be responsible for paying any associated costs incurred by **us**, which will be applied as **Charges** to **your Account**. However, if **we** arrange insurance, it doesn't mean **you** are no longer in breach of these **Conditions**.

Failure to repay a Charge

2.7 If **you** do not pay a **Charge** within 10 days of the relevant due date (which **we** will tell **you**) then **we** may at **our** discretion add the **Charge** to the **Amount Owed** on **your Account**. Where **we** add **Charges** to the **Amount Owed**, **we** will charge interest on them. This interest will then be added to the **Amount Owed** each month. Where there is more than one **Interest Rate** on **your Account**, **we** will apply the **Charge** to the **Loan** which incurs interest at the lowest **Interest Rate** (unless the **Charge** relates specifically to one **Loan** in particular, in which case **we** will apply the **Charge** to that **Loan** and the **Interest Rate** applicable to that **Loan** will apply).

Changes to Charges

2.8 **We** may introduce any change that abolishes a **Charge** or reduces the amount of an existing **Charge** with immediate effect and without giving **you** advance notice. **We** may increase or add to the **Charges** set out in **our Tariff of Charges** from time to time for any one or more of the following reasons (which may relate to circumstances existing at the time or which **we** reasonably expect to apply in the future):

(a) to respond, reasonably, to changes in **our** costs of funding that impact on the particular product or service **we** provide to **you**, including:

(i) where **we** make changes to **our** technology or other systems relating to the particular product or service, **we** provide to **you**;

(ii) where **we** are required to meet changes in the law and/or regulatory requirements, or to meet changes in the interpretation of any existing law and/or regulatory requirement; and

(iii) where appropriate, where **we** are required to meet changes in the decisions or recommendations of an ombudsman or regulator, or any code of practice, which is or are applicable to the conduct of **our** business; and

(b) to correct mistakes if it is reasonable to do so.

2.9 Unless it is not reasonably practicable for **us** to do so, where **we** increase or add to the **Charges** in the **Tariff of Charges**, **we** will give **you** at least 30 days' written notice of the change to the **Tariff of Charges**. **We** will also ensure that the change is proportionate to the underlying reason for the change. **We** will provide **you** with the latest **Tariff of Charges** at least once a year and it will also be available on **our** website.

2.10 Unless it is not reasonable for **us** to do so, **we** will tell **you** before taking any action which incurs a **Charge**.

3. Additional borrowing and drawdowns

3.1 **Your Offer of Loan** sets out the circumstances in which **you** may apply for additional borrowing.

3.2 **Your Offer of Loan** sets out if **you** have a **Drawdown Facility**. If **you** do, **your Offer of Loan** also sets out the circumstances in which **you** may make a **Drawdown**. **You** may not be able to make a **Drawdown** if **you** have breached the **Lifetime Mortgage** and have failed to remedy that breach. Availability of the **Drawdown Facility** remains subject to any legal or regulatory obligations imposed on **us** as a responsible lender. There may be circumstances where **we** require **you** to seek further advice before proceeding with the **Drawdown** request.

4. No Negative Equity Guarantee

4.1 **Your Offer of Loan** sets out the **No Negative Equity Guarantee** which applies to **your Lifetime Mortgage**. Please note that there are certain circumstances where the **No Negative Equity Guarantee** will not apply, and those are set out in **Conditions** 4.2, 4.3 and 13.7.

4.2 The **No Negative Equity Guarantee** does not apply if **you** decide to repay the **Amount Owed** early unless **you** do so by a sale of the **Property** in accordance with **Condition** 12.

4.3 If **you** breach the **Lifetime Mortgage** terms and **we** incur costs in remedying this breach (for example, if **you** do not insure or repair the **Property** properly), these costs are applied to **your Account** as **Charges**. The **No Negative Equity Guarantee** will not extend to cover those **Charges**. This includes any interest which has accrued on those **Charges**.

? Explanation

Condition 2 explains when **you** may incur a **Charge**. If **you** don't pay the **Charge** to **us**, **we** will add it to the **Amount Owed** and apply interest. The amount of interest can accumulate significantly, if it is left unpaid for long. The **No Negative Equity Guarantee** won't cover the **Charge** and the interest on it, so **you** or **your** estate may still owe that amount even after selling **your Property**.

C. What you need to do during the life of your lifetime mortgage

This Section C outlines some important responsibilities that **you** have regarding **your Lifetime Mortgage**. It covers mandatory **Conditions** relating to the **Property**. If **you** fail to meet **your** responsibilities, **you** will be in breach of these **Conditions**. Take the time to understand and become familiar with **your** responsibilities.

5. Your obligation to repay

5.1 **You** must pay to **us** the **Amount Owed** in the manner and at the time(s) set out in the **Offer of Loan** and these **Conditions**.

6. Your other obligations

Things you must do

6.1 Throughout the life of **your Lifetime Mortgage** **you** must:

(a) unless agreed with **us**, only use the **Property** as a private residence and as **your Main Residence**. If **we** ask **you** to do so, **you** must promptly confirm to **us** in writing that this remains the case;

(b) maintain the **Property** in a state which **we** consider is a state of good and substantial repair and condition. **We** will act reasonably when deciding if the **Property** is in a state of good and substantial repair and condition. Where the **Offer of Loan** includes a requirement that repairs are undertaken or building works are completed before **we** advance any **Loan** to **you**, **you** must ensure these repairs and/or works are undertaken and completed in accordance with the requirements in the **Offer of Loan**;

(c) observe and perform all legal restrictions, conditions and obligations affecting the **Property** or its use, including those in any lease relating to the **Property**;

> **Example**
>
> **Your Property** might have legal restrictions, like not to build anything in **your** garden or to maintain a fence in a specific way. If it's a leasehold **Property**, there could be restrictions against keeping pets, playing loud music or making changes without landlord consent. These are limited examples and there are other examples which are not included here. **You** need to make sure **you** comply with any legal restriction, condition or obligations on **your Property**. **You** should review other documents relating to **your Property** such as **your** lease together with these **Conditions** to ensure compliance.

(d) punctually pay all rates, taxes, rents, outgoings and charges payable in respect of the **Property**;

(e) comply in all respects with all legislation (including those relating to planning and environmental matters) and all requirements and regulations of local authorities and any other authorities which apply to the **Property** and any repairs or building works **you** carry out on the **Property**;

(f) promptly give **us** any information about the **Property** which **we** may reasonably ask for;

(g) provide **us** with a copy of any notice, order or proposal concerning the **Property**. **You** must do so within 7 days of receiving it. **We** may ask **you** to respond to it and **you** must make all statements which **we** reasonably ask **you** to make. Unless **we** tell **you** otherwise, **you** must take all reasonable and necessary steps to comply with the notice, order or proposal; and

Example

One example of such a notice is where **you** may receive a letter from **your** local authority informing **you** of a breach of building regulations in relation to **your Property** or about new road proposals affecting **your Property**.

(h) where the **Property** is leasehold, inform **us** of any notice served under any of **the Leasehold Reform Acts** in relation to the **Property**. **You** must do so within 4 **Working Days** of the notice being served. If **we** request **you** to do so, **you** must also execute in **our** favour a legal mortgage of the freehold, or any superior lease or any new lease, which **you** obtain. The legal mortgage must be in a form that **we** reasonably require. If **your Property** is in Scotland, then **you** do not need to consider **Condition** 6.1(h).

The Leasehold Reform Acts mean the Leasehold Reform Act 1967 and the Leasehold Reform, Housing and Urban Development Act 1993.

Explanation

The Leasehold Reform Acts gives tenants of long leases certain rights. These include extending their lease or acquiring the freehold. If **you** exercise these rights (for example, by requesting a lease extension), **you** must inform **us** about this and any correspondence from **your** landlord. If **you** acquire the freehold, a superior leasehold title, or a new lease, **we** may ask **you** to sign a new legal mortgage to protect **our** security interest in the **Property**.

Things you must not do

6.2 Throughout the life of **your Lifetime Mortgage you** must not do (or allow anyone else to do) any of the following without **our** prior written consent (which **we** will act reasonably in granting or refusing):

(a) make any structural or material repairs, alterations or additions to the **Property**;

Example

You must, for instance, obtain **our** consent before removing an internal wall, carrying out a loft conversion or installing insulation in the **Property**. **Our** consent may be subject to any additional requirements **we** might reasonably request (for example, requiring **you** to complete the works in a good and workmanlike manner or for **you** to obtain any planning permissions and approvals necessary under building regulations). If **you're** unsure whether **your** proposed repairs or building works require **our** consent, please contact **Legal & General Home Finance Limited** and **we** can advise on **your** particular circumstances.

(b) make any change in the use of the **Property** which would require planning permission or approval under any building regulations;

(c) apply for any improvement or similar grant in respect of the **Property**;

(d) move out of the **Property**;

(e) sell or create any lease or tenancy over all or any part of the **Property** (see Section D for more information);

(f) grant or allow any right over all or any part of the **Property**;

(g) allow someone to move into the **Property** (see Section D for more information); or

(h) create or allow to exist any other mortgage, standard security or charge on the **Property** except for the charge created by the **Mortgage Deed**.

7. Your obligation to insure the Property

7.1 **You** must keep the **Property** insured throughout the life of **your Lifetime Mortgage** against all risks against which it is usual to insure properties of a similar type and location. These risks include (but are not limited to) fire, subsidence, flood, escape of water, storm and any other risks as **we** may from time to time reasonably require or agree. **Your Offer of Loan** may set out additional requirements in this respect, which **you** must comply with.

7.2 It is **your** responsibility to make sure that the amount of insurance and risks covered are adequate. **We** consider that the amount of insurance is adequate if it covers the full cost of rebuilding **your Property** (often referred to as the reinstatement value) or, if it is a higher amount, the market value of **your Property**. When considering if the risks covered by **your** insurance policy are adequate, **we** will take into account the nature and location of **your Property**.

7.3 It is also **your** responsibility to pay the insurance premiums on time. **We** may ask **you** to provide to **us** copies of **your** insurance policy document(s) and/or evidence of **your** premium payments. Where **we** ask **you** to do so, **you** must provide the copies to **us** promptly to demonstrate that **you** have adequate insurance in place.

7.4 If **you** fail to insure the **Property**, or if **you** fail to provide copies of **your** policy document(s) and premium receipts to **us** within a reasonable period of time, **we** may ourselves insure the **Property** and recover all reasonably incurred costs of doing so from **you**. These costs will be **Charges** that **you** must pay and will be applied in accordance with **Condition** 2.

7.5 **You** will not do, or allow anyone else to do, anything which may make the insurance of the **Property** invalid.

7.6 Subject to the rules of the Financial Conduct Authority, **we** may accept and retain commission or other non-monetary benefits in respect of insurance policies that are put in place through any of **our** agency arrangements.

7.7 **You** must use any monies which become payable under **your** buildings insurance policy to repair or reinstate the **Property**, or if **we** agree to it, the monies must be used to reduce or repay the **Amount Owed**. If there has been significant loss or damage to the **Property**, **we** may instruct **your** insurance company to pay all claims money directly to **us**, but if the claims money is paid to **you**, **you** will hold it on trust for **us**.

8. Environmental Notices

8.1 An Environmental Notice means any notice in respect of any contamination or pollution issued under any environmental legislation which relates to the **Property** or any neighbouring property.

Explanation

An Environmental Notice is likely to be a letter from **your** local authority or the Environment Agency (or, if your **Property** is in Scotland, the Scottish Environmental Protection Agency) informing **you** that they have concerns about contamination in the ground within **your Property** or a neighbouring property.

8.2 Regardless of any other provision in the **Lifetime Mortgage**:

(a) **we** are entitled to carry out any works ourselves or require any works to be carried out where such works are required either to comply with an Environmental Notice or to remedy any circumstances which could lead to the issue of an Environmental Notice;

(b) **you** will immediately notify **us** if an Environmental Notice is issued, or if **you** become aware of any circumstances which may lead to the issue of an Environmental Notice. In either case, **you** will provide written details to **us** of the steps **you** intend to take to remedy the circumstances or comply with the Environmental Notice;

(c) **you** will permit **us** to inspect the **Property** at any reasonable time (and, where practicable, upon reasonable prior notice) in connection with an Environmental Notice or in circumstances which **we** reasonably consider may lead to the issue of an Environmental Notice. The inspection of the **Property** may include taking samples or making trial pits or boreholes; and

(d) **you** will not create or allow any circumstances which could lead to the issue of an Environmental Notice.

D. Changes to your circumstances

During the life of **your Lifetime Mortgage**, **your** circumstances may change. This Section D sets out what **you** must and must not do if **you** wish to move home, move anyone into **your Property**, let **your Property** or sell **your Property**. See Section E in relation to repaying **your Lifetime Mortgage**

If **your** circumstances change, and in particular if **you** encounter financial difficulties, please contact **Legal & General Home Finance Limited** to see what **we** can do to help.

9. Moving home

9.1 **Your Offer of Loan** sets out the circumstances in which **you** may transfer **your Lifetime Mortgage** to a new property when **you** move home. However, **you** must tell **us** in advance and **we** must give **our** consent before **you** can transfer **your Lifetime Mortgage** to **your** new property.

9.2 If **you** are unable to transfer **your Lifetime Mortgage** to **your** new property (for example, because **your** new property does not satisfy **our** eligibility criteria), the **Amount Owed** must be repaid to **us** upon the sale of the **Property** (as set out in **Condition** 13). The sale of the **Property** may result in **you** having to pay an **Early Repayment Charge**, depending on the circumstances of the sale (see **Condition** 14 and **your Offer of Loan** for more information). Where **our Downsizing Protection** benefit applies, no **Early Repayment Charge** will be payable, as explained in **your Offer of Loan**.

10. Moving others into the Property

10.1 **Your Offer of Loan** sets out **our** requirements if **you** intend to allow any person to move into or occupy the **Property**, even if **you** do not intend for that person to be added to the **Lifetime Mortgage**. **You** must not allow any other person to move into or occupy the **Property** without complying with those requirements.

10.2 **We** may in some circumstances, agree for an additional borrower to be added or removed from **your Lifetime Mortgage** but **we** are not obliged to do so. **You** must contact **us** if **you** wish to apply to make changes to the title to the **Property**.

Explanation

If **you** want to allow anyone to move into the **Property** during the life of **your Lifetime Mortgage you** must check that the requirements set out in **your Offer of Loan** are met.

11. Letting the Property

11.1 **You** may not do any of the following without **our** prior written consent:

(a) grant or renew (or agree to grant or renew) any lease or tenancy of the **Property** or licence to occupy the **Property**; or

(b) part with or share possession of the **Property**.

We may impose reasonable conditions upon any consent **we** give.

11.2 The statutory power of a mortgagor to lease, agree to lease and accept surrenders of leases will not apply to the **Lifetime Mortgage**. If **your Property** is in Scotland, then **you** do not need to consider **Condition** 11.2

Explanation

This means that **you** cannot lease or let **your Property** without obtaining **our** prior written consent.

12. Selling the Property

12.1 If **you** decide or are required to sell **your Property** during the life of **your Lifetime Mortgage**, **you** will be responsible for all costs and expenses involved in selling the **Property**.

12.2 **You** must give **us** prior written notice of **your** intention to sell the **Property** before putting the **Property** up for sale. **You** must also provide **us** with any information that **we** reasonably require in connection with the sale, including the price at which **you** propose to sell the **Property** (which is referred to in these **Conditions** as the **Proposed Sale Price**). **You** must ensure that vacant possession is given when the sale is completed, meaning all occupants must leave the **Property** by the day of completion of the sale.

12.3 Before **you** agree to sell **your Property**, **we** will reasonably estimate in good faith the **Net Sale Proceeds** that will be available on completion of the sale to repay the **Amount Owed** on the basis of the **Proposed Sale Price**.

12.4 If **our** estimate indicates the **Net Sale Proceeds** will not be enough to repay the **Amount Owed** (taking into account any **Protected Percentage** where **you** have an **Inheritance Protection Option**), **we** may instruct a valuer to value the **Property**. If the valuation indicates a value which is higher than the **Proposed Sale Price**, **we** can insist that the **Property** is sold for no less than this value (the '**Valuation Price**').

12.5 If **we** instruct a valuer, the valuer's fees will be **Charges** that **you** must pay, which will be applied in accordance with **Condition** 2.

12.6 No sale of the **Property** may occur for less than the **Proposed Sale Price** (or, if there is one, the **Valuation Price**) without **our** prior written consent. **We** will not withhold **our** consent if it is shown to **our** reasonable satisfaction that the sale is at the best price reasonably obtainable. As an alternative to giving consent **we** may in **our** discretion purchase the **Property** ourselves at a price equal to the highest genuine offer received.

12.7 If **you** sell the **Property** and are required to repay **your Lifetime Mortgage**, **you** may have to pay an **Early Repayment Charge** depending on the circumstances of the repayment. **Your Offer of Loan** sets out the details of the **Early Repayment Charge.**

? Explanation

This means that **you** cannot sell **your Property** without obtaining **our** prior consent. **You** should contact **us** as early as possible if **you** are considering selling **your Property.**

E. Repaying your lifetime mortgage

Your Lifetime Mortgage is designed to last for **your** lifetime and is repayable when **you** (or, if borrowing jointly, both of **you**) die or move out of **your** home into long term care. However, there are other circumstances when **your Lifetime Mortgage** must be repaid to **us**. **You** may also wish to repay the **Lifetime Mortgage** early. This Section E contains **Conditions** relating to the repayment of **your Lifetime Mortgage**.

13. Repaying your Lifetime Mortgage when a Repayment Event occurs

Repayment Event

13.1 **We** must be immediately informed if a **Repayment Event** takes place or any event occurs which is likely to result in a **Repayment Event** taking place.

A "**Repayment Event**" means the occurrence of any of the following:

(a) the death of the borrower (or, if joint borrowers, the last surviving of **you** dies);

(b) the borrower's entry into **Long Term Care** (or, if joint borrowers, the last surviving of **you** goes into **Long Term Care**);

(c) the **Property** is sold;

(d) the **Property** is no longer used as **your Main Residence** (or, if joint borrowers, the last surviving of **you** ceases to use the **Property** as his or her **Main Residence**); and

(e) any **Event of Default** occurs.

13.2 Where the **Repayment Event** arises due to death or entry into **Long Term Care** as outlined above, the **Amount Owed** must be repaid to **us** within 12 months of the date of that **Repayment Event**. If **you** need to sell the **Property** in order to repay the **Amount Owed**, **you** must make reasonable efforts to sell the **Property** as quickly as **you** reasonably can after that **Repayment Event**. If the **Amount Owed** is not repaid to **us** within this 12 month period, this will be an **Event of Default**. **We** can request earlier repayment from **you** if in **our** reasonable opinion the value of the **Property** is either:

(a) less than the **Amount Owed**; or

(b) likely to be less than the **Amount Owed** in the 12 month period following the **Repayment Event**.

If this is the case, **we** can give **you** notice to this effect at any time after the **Repayment Event,** in which case **you** must repay the **Amount Owed** to **us** (adjusted, if applicable, according to **Condition** 5 and **Condition** 13.7) immediately following the date **we** give **you** that notice or, if a different date is specified in that notice, by the date specified.

13.3 Where the **Repayment Event** falls within parts (c), (d) or (e) of **Condition** 13.1, the **Amount Owed** (as adjusted by **Conditions** 5 and 13.7) must be repaid to **us** and shall immediately become due and payable.

13.4 Any sale of the **Property** by **you** following a **Repayment Event** must be undertaken in accordance with **Condition** 13.

13.5 Once the **Amount Owed** becomes payable, **we** may exercise certain powers in order to protect **our** rights and interests. These powers are set out in Section F.

13.6 Following any **Repayment Event**, **you** must continue to comply with the obligations of the **Lifetime Mortgage** (including, but not limited to, the requirements set out in **Conditions** 6 and 7 about what **you** must and must not do in connection with the **Property**).

Net Sale Proceeds

13.7 If the **Net Sale Proceeds** from a sale of the **Property** are less than the **Amount Owed** (taking into account any **Protected Percentage**), **we** will inform **you** of the shortfall but **you** will not have to repay the shortfall to the extent that the **No Negative Equity Guarantee** applies. This **Condition** 13.7 only applies if **you** have complied with:

(a) the requirements in **Condition** 12 about selling **your Property**; and

(b) the remainder of this **Condition** 13.

13.8 If any **Repayment Event** occurs and **we** reasonably consider that the **Net Sale Proceeds** will be insufficient to repay the **Amount Owed**, **we** may spend such amounts of money as **we** reasonably see fit to make the **Property** more marketable. **We** will only incur costs to make the **Property** more marketable under this **Condition** 13.8 if, at the time of the **Repayment Event**, **you** are in breach of the **Lifetime Mortgage** terms (for example, if the **Property**is not in a good state of repair or if works have been carried out on the **Property** without **our** consent).

Example

If **you** commence building work on **your property**, which is left incomplete because you die, and this materially impacts the property value, **we** may need to incur **costs** to finish those works, should **your** estate be unable to do so. These **costs** would be added to the **Amount Owed.** This is because unfinished works may deter buyers or make it more difficult for the new buyer to get a mortgage on the **property.**

13.9 All such amounts and fees will be **Charges** that **you** must pay, which will be applied in accordance with **Condition** 2. **We** may also incur independent surveyors' fees on or following the **Repayment Event** to establish whether the **Net Sale Proceeds** will be insufficient to repay the **Amount Owed**. All such amounts and fees will be **Charges** that **you** must pay, which will be applied in accordance with **Condition** 2.

13.10 **Net Sale Proceeds** will be used firstly towards payment of the **Amount Owed.** Where the **Net Sale Proceeds** obtained from a sale of the **Property** exceed the **Amount Owed**, **we** will inform **you** of the surplus amount, which will be reimbursed to **you** or **your** legal representative(s) for **your** benefit or the benefit of **your** estate or any subsequent chargee (as the case may be).

14. How to repay your Lifetime Mortgage early

14.1 Subject to **Condition** 15.1, **you** may repay **your Lifetime Mortgage** by repaying the **Amount Owed** early in accordance with the terms of the **Offer of Loan**.

14.2 **Your Offer of Loan** sets out the details of the **Early Repayment Charge** which **you** may have to pay in certain circumstances if **you** repay **your Lifetime Mortgage** early.

15. General repayment conditions

15.1 If **you** choose to repay or must repay the **Lifetime Mortgage**, **you** must at the same time repay every other mortgage, standard security or charge which **we** then hold from **you.** In England & Wales, Section 93 of the **LPA 1925** shall not apply to the **Lifetime Mortgage**.

Explanation

This means that if **you** hold more than one mortgage with **us you** will need to repay all of them at the same time.

15.2 Where **you** have more than one **Loan** with **us**, **we** will decide which **Loan** to allocate **your** payments to.

F. Our powers in connection with your lifetime mortgage and your property

This Section F sets out the rights and powers from which **we** benefit in connection with **your Lifetime Mortgage**. It includes additional **Related Rights** which **you** assign to **us**, and in England and Wales the rights and powers of a property receiver that **we** may appoint in connection with **your Lifetime Mortgage**. It also includes **our** appointment as **your** attorney (although this is not the same as a lasting power of attorney).

16. Our powers (where your property is located in England and Wales)

If **your Property** is in Scotland, please refer to **Condition** 17.

16.1 For the purposes of the **LPA 1925** the mortgage money will be treated as due, and the statutory power of sale (as extended by these **Conditions**) and the other powers contained in section 101 of the **LPA 1925** will arise, 1 month after the date of **Completion**.

> **Explanation**
>
> Under legislation, mortgage providers (including **us**) are given certain powers relating to the mortgage, including the ability to sell the mortgaged property when the mortgage money becomes due.

16.2 The statutory power of sale applies to the **Lifetime Mortgage** free from the restrictions in section 103 of the **LPA 1925**.

> **Explanation**
>
> Section 103 of the **LPA 1925** sets out various circumstances when **we** can exercise the statutory power of sale referred to in **Condition** 16.1. This **Condition** 16.2 excludes section 103, meaning **we** are not restricted to exercising **our** powers only in those circumstances contained in section 103, but also in other circumstances (but always in accordance with these **Conditions**).

16.3 Regardless of any other provisions of these **Conditions**, the **Amount Owed** shall immediately become due and payable on demand if any **Event of Default** occurs.

16.4 **We** (or a third party acting on **our** behalf) may enter the **Property** to carry out repairs if the **Property** is not being adequately maintained. The **Offer of Loan** sets out **our** rights in this regard. No exercise of any such right shall make **us** liable as a mortgagee in possession.

> **Explanation**
>
> If a mortgage provider takes possession of the mortgaged property, they become a “mortgagee in possession”. This means the mortgage provider has specific responsibilities related to the **Property**. However, if **we** carry out repairs due to inadequate maintenance, the usual legal requirements for a “mortgagee in possession” will not apply to **us**.

16.5 At any time after the **Amount Owed** has become due and payable, **we** may (without previous notice to or agreement from **you**):

(a) take possession of the **Property**; and/or

(b) appoint one or more persons to be a receiver of all or any part of the **Property**;

Explanation

We can appoint someone (who may be a third party) named a "receiver" to act on **our** behalf in connection with **your Lifetime Mortgage**. If a receiver is appointed, they would have various powers (including those listed in **Conditions** 16.6 and 18, as well as others), such as the ability to sell the **Property** and use the proceeds of sale to repay the **Lifetime Mortgage**.

(c) sell the **Property** (whether or not **we** have taken possession); and/or

(d) exercise all the other powers given to mortgagees by the **LPA 1925**.

16.6 At any time after the **Amount Owed** has become due and payable, **we** or any receiver appointed by **us** may:

(a) carry out repairs, renewals or improvements to the **Property**;

(b) carry out any building or development works on the **Property**;

(c) apply for and obtain any appropriate planning or other consents and approvals in respect of the **Property**; and/or

(d) exercise the statutory powers of leasing or accepting surrenders of leases without the restrictions imposed by law, including those contained in sections 99 and 100 of the **LPA 1925**,

In each case, as **we** or the receiver may in **our** or his/her discretion reasonably think fit. No exercise of any such rights shall incur any liability (either to **you** or any other person) or make **us** liable as a mortgagee in possession.

Explanation

Sections 99 and 100 of the **LPA 1925** allow lenders to lease a property of which they have taken possession after the borrower's default. If those leases meet certain conditions (such as term and the rent), these restrictions don't apply and so if **we** take possession, **we** can lease the **Property** or accept a surrender of an existing lease without any restrictions.

Explanation

If **we** (or a receiver appointed by **us** or a third party acting on **our** behalf) exercise the rights set out in this **Condition** 16.6, including, for example, the right to carry out repairs at **your Property**, none of **us** will be treated as a "mortgagee in possession" and the statutory requirements and liabilities of a "mortgagee in possession" will not apply to **us**.

16.7 If **we** (or any receiver appointed by **us**) take possession of the **Property we** or the receiver may remove, store, sell or otherwise deal with any goods or animals which **you** have not removed from the **Property**. If **we** do this we will do so as **your** agent and at **your** expense, and the costs that **we** incur in doing so will be applied as a **Charge** which **you** must pay, in accordance with **Condition** 2. **We** will not be responsible for any loss caused by **our** so doing. **We** will account to **you** for all proceeds received, either by paying such amount to **you** or setting it off against the **Amount Owed** (at **our** discretion), but **we** will deduct all expenses that **we** reasonably incur in dealing with the goods and/or animals. If the proceeds received are less than the expenses **we** reasonably incur, the remainder of the expenses will be a **Charge** that **you** must pay, which will be applied in accordance with **Condition** 2.

16.8 If **we**, or a receiver appointed by **us**, enters into possession of the **Property**, **we** or that receiver may at any time give up possession. If **we** decide to give up possession, **we** will tell **you** as soon as possible.

16.9 Neither **we** nor any receiver shall be liable, by reason of entering into possession of the **Property** or for any other reason, to account as mortgagee in possession in respect of all or any of the **Property**. Nor shall **we** or any receiver be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any part of the **Property** for which a mortgagee in possession might be liable as such.

16.10 No exercise of **our** rights under this **Lifetime Mortgage** (including where a receiver appointed by **us** exercises those rights) shall make **us** or the receiver liable as a mortgagee in possession in respect of all or any part of the **Property**.

16.11 When **we** and any receiver appointed by **us** exercise **our** or his/her powers under this **Lifetime Mortgage**, **we** may engage and pay third parties to assist **us.** These third parties will be acting on **your** behalf as **your** agents and **you** will be responsible for their fees at such rates as **we** or the receiver may reasonably agree. The fees will be a **Charge** that **you** must pay, which will be applied in accordance with **Condition** 2. If **we** appoint a third party, **we** may revoke the appointment of that third party at any time, and any receiver may do likewise. **We** will tell **you** if the third party's appointment is revoked.

16.12 **We** may revalue the **Property** at any time during the life of the **Lifetime Mortgage**. If it is necessary for the valuer to enter the **Property** to conduct the valuation, **we** will give **you** reasonable notice and **you** must permit this. Any revaluation under this **Condition** 16.12 shall be at **our** expense.

17. Our Powers (where your property is located in Scotland)

17.1 Regardless of any other provisions of these **Conditions**, if any **Event of Default** occurs, the **Amount Owed** shall immediately become due and payable on demand and **you** will be in default under the **CFRA 1970**, which would allow **us** to enforce **our** security and exercise the rights available to **us** under the **CFRA 1970**.

17.2 At any time after the **Amount Owed** has become due and payable, **we** may (without previous notice to or agreement from **you**):

(a) take possession of the **Property**;

(b) sell the **Property** (whether or not **we** have taken possession); and/or

(c) exercise all the other powers given to heritable creditors by the **CFRA 1970**.

Explanation

A "heritable creditor" is a legal term for a person who holds a standard security over a property in Scotland. Heritable creditors are granted certain powers by law (including those powers set out in **Condition** 17.3, but there are others as well).

17.3 At any time after the **Amount Owed** has become due and payable, **we** may if **we** consider it necessary or desirable, at **your** expense and regardless of **your** bankruptcy, death or insanity and without being treated as a heritable creditor in possession or becoming liable to account as such:

(a) take any proceedings **we** think fit in relation to the **Property**;

(b) generally manage the **Property**, including collecting and receiving rents, carrying out building and development works, arranging necessary repair and maintenance of the **Property**, ensuring compliance with local authority requirements, maintaining, renewing or increasing insurances, serving notice under relevant housing legislation and obtaining any appropriate planning or other consents and approvals; and/or

(c) exercise, on **your** behalf and without having to give **you** prior notice or obtain **your** consent, all the powers and duties conferred on a landlord by law from time to time in force (including the power to grant, vary, assign, review, terminate, surrender, renounce or accept surrenders or renunciations of leases, tenancies or licences over the **Property** so far as permitted by the **CFRA 1970**) without having any liabilities or responsibilities to **you** as a result of doing so, in each case, as **we** in **our** discretion reasonably think fit. Any costs **we** incur will be a **Charge** that **you** must pay, which will be applied in accordance with **Condition** 2.

Explanation

If a mortgage provider takes physical possession of the mortgaged property, it will be known as a "heritable creditor in possession", which means the mortgage provider incurs certain liabilities in relation to the mortgaged property. If **we** exercise the rights set out in this **Condition** 17.3, **we** will not be treated as a "heritable creditor in possession". This means the statutory requirements and liabilities of a "heritable creditor in possession" will not apply.

17.4 After taking possession of the **Property we** may, as **your** agent and at **your** expense (as a **Charge**, which will be applied in accordance with **Condition** 2), remove, store, sell or otherwise deal with any goods or animals which **you** have not removed from the **Property**. **We** will not be responsible for any loss caused by **our** so doing. **We** will account to **you** for all proceeds received, either by paying such amount to **you** or setting it off against the **Amount Owed** (at **our** discretion), but **we** will deduct all expenses that **we** reasonably incur in dealing with the goods and/or animals. If the proceeds received are less than the expenses **we** reasonably incur, the remainder of the expenses will be a **Charge** that **you** must pay, which will be applied in accordance with **Condition** 2.

17.5 When **we** exercise **our** powers under **your Lifetime Mortgage**, **we** may engage and pay third parties to assist **us.** These third parties will be acting on **your** behalf as **your** agents and **you** will be responsible for their fees at such rates as **we** may reasonably agree. The remuneration will be a **Charge** that **you** must pay, which will be applied in accordance with **Condition** 2. If **we** appoint a third party, **we** may revoke the appointment of that third party at any time. **We** will tell **you** if the third party's appointment is revoked.

18. Rights of a property receiver appointed by us

If **your Property** is in Scotland, then **you** do not need to consider **Condition** 18.

Explanation

We can appoint someone (who may be a third party or may be one of **our** employees) named a "receiver" to act on **your** behalf in connection with **your Lifetime Mortgage**. If a receiver is appointed, they would have the same powers as **we** do. **Condition** 18 sets out more information regarding receivers.

18.1 A receiver appointed by **us** shall have all the powers conferred:

(a) on mortgagees and/or receivers by the **LPA 1925** (but without the restrictions contained in sections 103 and 109 of that Act); and

(b) on administrative receivers by the Insolvency Act 1986 Schedule 1, except to the extent that any of these powers are expressly or impliedly excluded by the **Mortgage Deed** or these **Conditions.** In the event of ambiguity or conflict, the terms of the **Mortgage Deed** will prevail, followed by these **Conditions.**

Explanation

Under legislation, mortgage providers (including **us**) and receivers that **we** appoint are given certain powers relating to the mortgage, including the ability to sell the mortgaged property when the mortgage money becomes due. This **Condition** 18.1 confirms that a receiver that **we** appoint will be able to exercise those statutory powers, unless these **Conditions** say otherwise.

18.2 **We** or any receiver appointed by **us** shall also have power on **your** behalf and at **your** expense, and regardless of **your** bankruptcy, death or insanity, to do or omit to do anything which **you** could do or omit to do in relation to the **Property**. This includes (without limitation) a right for **us** and any receiver to:

(a) take possession of the **Property** and for this purpose to take, defend, discontinue or compromise any proceedings as **we** or they think fit;

(b) generally manage the **Property** including collecting and receiving rents, arranging necessary repair and maintenance of the **Property**, ensuring compliance with local authority requirements, maintaining, renewing or increasing insurances and serving notice under relevant housing legislation;

(c) without restriction, sell the **Property** (whether or not **we** have taken possession) for a price and on terms as **we** think fit;

(d) without restriction, lease or sublease (as appropriate) the **Property**, vary, assign, renew, terminate, surrender or accept surrenders of leases, tenancies or licences over the **Property** for a price and on terms and for rent and payment as **we** think fit without the restrictions imposed by law, including those contained in sections 99 and 100 of the **LPA 1925**;

(e) sell any freehold or leasehold reversions created over the **Property**;

(f) exercise, on **your** behalf and without having to give **you** prior notice or obtain **your** consent, all the powers and duties conferred on a landlord by law from time to time without having any liabilities or responsibilities to **you** as a result of doing so; and/or

(g) take and do any other acts and things **we** or the receiver:

  (i) consider desirable or necessary for protecting **our** security constituted by the **Lifetime Mortgage** or for realising the value of the **Property** or any part of it;

  (ii) consider incidental or conducive to any of the rights or powers conferred on a receiver under or by virtue of these **Conditions** or law; or

  (iii) lawfully may do as **your** agent.

Example

The receiver would have power (amongst other examples above) to commence or complete building works at the **Property** (for example, if the fence in the garden is damaged a receiver would have the power to repair it).

18.3 The receiver may incur costs in exercising his/her rights and powers under the **Lifetime Mortgage** and may charge such amount for his/her fees as **we** reasonably agree with him/her. The receiver will be an agent acting on **your** behalf and **you** will be responsible for his/her fees. These costs and fees will be **Charges** that **you** must pay, which will be applied in accordance with **Condition** 2.

18.4 **We** may remove any receiver appointed by **us** at any time. **We** may also appoint a new receiver, either instead of or as well as any existing or former receiver. **We** will give **you** written notice if **we** do so.

18.5 **We** may appoint any one or more persons to be a receiver of all or any part of the **Property**. If there is more than one receiver appointed by **us** in connection with the **Property**, each receiver may exercise individually all of the powers conferred on a receiver under the **Lifetime Mortgage** and to the exclusion of the other receiver or receivers (unless the document appointing such receiver states otherwise).

18.6 Any receiver appointed by **us** may be one of **our** employees or may be a third party.

18.7 Section 109(8) of the **LPA 1925** shall be amended so as to allow a receiver to pay any money owing by **you** in such order of priority as he/she thinks fit.

Explanation

Section 109(8) allows a receiver to choose the order in which debts are paid. The receiver can decide to pay their fees before repayment of **your Lifetime Mortgage** debt should they choose to do this. **You** will be responsible for paying these fees, as set out in **Condition** 18.3.

19. Related Rights

Explanation

Related Rights are rights that may arise in connection with **your Property**. One example is where **you** have any construction work carried out on the **Property** and the builder gives **you** a warranty or guarantee in relation to the work. This **Condition** 19 means that **we** may benefit from that warranty or guarantee. The list of **Related Rights** is set out in **Condition** 19.1 below.

19.1 **Related Rights** means

(a) any option to purchase the freehold or superior leasehold or a new lease of the **Property**;

(b) any right to acquire further or additional shares or interests in the **Property** which are included in, or otherwise granted to **you** in, a shared ownership lease (or any documentation supplemental to or associated with such lease);

(c) any right to receive money which becomes payable in respect of the **Property** or following any damage to or depreciation of the **Property**, including money payable for mining subsidence or compulsory purchase;

(d) any share or membership rights in a residents' association, common hold association or management company relating to the **Property**;

(e) any guarantees or insurances relating to the **Property** including guarantees for work done to the **Property**; and

(f) any other benefit or right of any kind relating to the **Property** or its construction or title.

19.2 As further consideration for the **Loan you** assign **your** rights in and the benefit of the **Related Rights** to **us** and agree that **we** have full power to enter the **Property** and to exercise and deal with all the **Related Rights** as being absolutely and beneficially entitled to them.

If **your Property** is in Scotland, in **Condition** 19.2 the words 'by signing the Mortgage Deed' will be added before the words 'you assign'.

19.3 If **you** receive any money in respect of any **Related Rights you** will hold this on trust for **us** to use in accordance with **Condition** 19.4 below.

19.4 Any proceeds of the **Related Rights**, after deducting all costs reasonably incurred by **us** in dealing with the **Related Rights**, will be applied in reducing the **Amount Owed**, and any surplus will be paid to **you** or any other person who is entitled to the surplus.

20. You appoint us as your attorney

If **your Property** is in Scotland, then references to a 'receiver' in Condition 20 do not apply.

20.1 As security for **your** obligations under the **Lifetime Mortgage you** irrevocably appoint **us**, and any receiver appointed by **us**, together and individually to be **your** attorney in **your** name and on **your** behalf to do all things set out in **Condition** 20.2 below. The attorney will be legally entitled to act on **your** behalf.

Explanation

This power of attorney means **we** (and any receiver **we** have appointed) are legally entitled to act on **your** behalf and able to sign documents relating to the **Property** or the **Lifetime Mortgage** on **your** behalf at any time if **we** think it is necessary or desirable to protect **our** interests. This is not the same as a lasting power of attorney. The power of attorney only relates to the matters set out in **Condition** 20.2.

20.2 Under the power of attorney, **we** may execute and deliver any deed or document, exercise any rights or powers which **you** have in respect of the **Property** or the **Related Rights** and do anything else which **we** or the receiver think necessary or desirable to:

(a) protect **our** security under the **Lifetime Mortgage**;

(b) exercise any powers contained in the **Lifetime Mortgage**; or

(c) preserve the **Property** or the **Related Rights** (and their value).

Example

One example of how **we** may use the power of attorney is to appoint builders on **your** behalf if **we** have concerns that **you** are not keeping the **Property** in good repair.

20.3 **We** (or a receiver appointed by **us**) may delegate the power of attorney to any third party where reasonably necessary in the exercise of **our** powers.

20.4 **We** and the attorney will not be liable to **you** for anything done when exercising the power of attorney unless it is done negligently.

20.5 **You** will on **our** request:

(a) sign (or execute and deliver) any document or deed;

(b) exercise any rights or powers which **you** have in respect of the **Property** or the **Related Rights**; and

(c) do anything else which **we** or the receiver think necessary or desirable,

in each case in order to:

(d) protect **our** security under the **Lifetime Mortgage**;

(e) exercise any powers contained in the **Lifetime Mortgage**; and preserve the **Property** or the **Related Rights** (and their value).

20.6 The power of attorney will end when **we** release the security constituted by **your Lifetime Mortgage**. **You** will sign (or execute and deliver) any document or deed which **we** reasonably request in order to appoint **us** (and any receiver appointed by **us**) as **your** attorney, on the same terms and conditions set out in this **Condition** 20.

G. General conditions

This Section G contains general **Conditions** relating to **your Lifetime Mortgage**, including: (1) **our** ability to assign **our** rights under the **Lifetime Mortgage** to any third party; (2) **our** use of information **we** receive about **you**; (3) the circumstances in which **we** may vary the terms of the **Lifetime Mortgage**; (4) the law that applies to **your Lifetime Mortgage**; and (5) various other miscellaneous **Conditions**.

21. When we can sell, transfer or assign your Lifetime Mortgage to someone else

21.1 **We** may at any time transfer or assign to any other person the benefit of, and **our** rights under, all or any part of the **Lifetime Mortgage** and any related security. **We** do not need **your** consent to do so. If **we** do so, **your** rights and obligations under the **Lifetime Mortgage** will not be affected. **You** must continue to perform **your** obligations under the **Lifetime Mortgage** as though **you** originally entered into it with the transferee or assignee.

21.2 **We** may release to any actual or potential transferee or assignee (and their advisers) any information **we** hold about **you**, about the conduct of **your Account** and about any related securities. **We** will release this information in accordance with **Condition** 22.

22. Using your information

22.1 **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 all personal data relating to **you** in accordance with **our** privacy policy from time to time relating to the processing of personal data about **you**.

22.2 **We** may give any information and documents concerning the **Lifetime Mortgage** or **your Account** to any person if:

(a) **we** are required to do so by law or by any regulatory authority;

(b) **we** have a public duty to do so;

(c) it is necessary in order to enforce any provisions of the **Lifetime Mortgage**;

(d) **you** ask **us** to give details to another person or agree that **we** can give such details to another person;

(e) that person takes over, or may be entitled to take over, any of **our** rights under the **Lifetime Mortgage** or is responsible for the management or administration of the **Account** or the **Lifetime Mortgage** at any time;

(f) that person provides services to **us** in connection with **your Account** or the **Lifetime Mortgage**; or

(g) **we** think it is necessary or advisable to do so in connection with any transfer, sale or financing arrangement which **we** may enter into or consider in connection with the **Lifetime Mortgage**.

22.3 **We** will use the information which **you** give **us**, or which **we** receive from any enquiries which **you** permit **us** to make about **you** or which **we** require to be made, for processing and administering **your Account** or the **Lifetime Mortgage**, for customer service, market research, statistical analysis, audit and administrative purposes.

22.4 **We** may record telephone calls that **you** make to **us** for **our** mutual protection and to improve **our** customer service standards.

23. Miscellaneous

23.1 If **we** fail to exercise or delay in exercising any right or power that **we** have in connection with the **Lifetime Mortgage**, this will not affect **our** ability to later exercise any of **our** rights or powers. If **we** exercise any of **our** rights or powers (in whole or in part), this will not affect **our** ability to exercise them again in the future or to exercise any other right or power.

23.2 If **we** agree with **you** that **we** will not exercise any of **our** rights or powers on a specific occasion, this will not prevent **us** from exercising **our** rights and powers in the future and will not affect the other terms of the **Lifetime Mortgage**.

23.3 The rights, powers and remedies provided in the **Lifetime Mortgage** are cumulative and not exclusive of any rights, powers or remedies provided by law.

Explanation

Not all of **our** rights and powers under **your Lifetime Mortgage** are listed in these **Conditions** or in the **Offer of Loan**. Some are contained in statute and **we** are able to use all those other rights and powers too.

23.4 Each of the provisions and/or sub-clauses of the **Lifetime Mortgage** is severable and distinct from the others. If at any time any one or more of such provisions becomes illegal, invalid or unenforceable, this will not impair or affect the legality, validity or enforceability of the remaining provisions.

23.5 Only **you** and **we** may enforce the terms of the **Lifetime Mortgage**. No provision of the **Lifetime Mortgage** will be enforceable by a third party under the Contracts (Rights of Third Parties) Act 1999 or, if your **Property** is in Scotland, under the Contract (Third Party Rights) (Scotland) Act 2017.

23.6 **We** will communicate with **you** using the English language and all **our** documents will be issued to **you** in English. If **you** choose to use the services of an interpreter, **we** are not a party to, or responsible for, those services which will be subject to a separate privacy notice and terms and conditions with any interpreter **you** choose to use.

24. Varying the terms of the Lifetime Mortgage

24.1 **We** may vary the terms of the **Lifetime Mortgage** from time to time during the life of the **Lifetime Mortgage** without **your** consent for the purpose of giving **you** the benefit of enhanced or additional services which become available in connection with the **Lifetime Mortgage**.

24.2 **We** may also vary the terms of the **Lifetime Mortgage** from time to time during the life of the **Lifetime Mortgage** without **your** consent for the purpose of responding reasonably to:

(a) any change in the law, regulatory requirements or codes of practice which is or are applicable to the conduct of **our** business or the **Lifetime Mortgage**;

(b) any new or amended recommendation, requirement or decision by any court, ombudsman, regulator or similar body, including the Equity Release Council, which is or are applicable to the conduct of **our** business or the **Lifetime Mortgage**;

(c) any change to **our** technology or other systems used in connection with the **Lifetime Mortgage**, including where the change is needed either to improve the operation of those systems or to integrate them with the systems used by another organisation which **we** acquire or by which **we** are acquired; and

(d) any mistakes which are identified and reasonably require changes or rectification.

24.3 **We** may also vary the terms of the **Lifetime Mortgage** from time to time during the life of the **Lifetime Mortgage** without **your** consent for any other reason not specified in these **Conditions** provided any such change is proportionate to the underlying reasons for the change.

24.4 **We** will give **you** at least 30 days' written notice in advance of any change **we** make pursuant to **Conditions** 24.2 and 24.3.

25. Sending notices to you

25.1 If **we** leave or send by prepaid post or by email any written demand or notice addressed to **you** either to the **Property** or any other address or email address that **you** make known to **us**, **you** will be deemed to receive the notice.

25.2 Where **we** leave any demand or notice at the address referred to in **Condition** 25.1, **you** will be deemed to have received it at the time that **we** leave it there. Where **we** send any demand or notice by post to that address or any other nominated address, **you** will be deemed to have received it two **Working Days** after posting. Where **we** send any demand or notice by email, **you** will be deemed to have received it on the date and at the time that **we** sent it.

Example

If **we** post a notice to **you** at 1pm on Tuesday, it will be considered received by **you** at 1pm on Thursday.

26. Governing law and jurisdiction

26.1 The **Lifetime 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) will be governed by English Law. If **your Property** is in Scotland, the **Lifetime 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) will be governed by the laws of Scotland.

26.2 The courts of England and Wales will have jurisdiction to settle any such disputes or claims. If **your Property** is in Scotland, the courts of Scotland will have jurisdiction to settle any such disputes or claims.

H. Definitions and interpretation

27. Defined terms

Terms that are in bold in these **Conditions** have the following meanings:

Account means the account **we** maintain recording the **Amount Owed**;

Amount Owed means all monies (including any **Loan**, interest and **Charges**) which **you** owe **us** at any time on the security of the **Lifetime Mortgage**;

Borrower, **you** and **your** means the person(s) named as borrowers in the **Lifetime Mortgage** and includes all persons claiming any right or interest from or to **you** (including **your** successors, personal representatives and executors of **your** estate);

CFRA 1970 means the Conveyancing and Feudal Reform (Scotland) Act 1970;

CFRA Standard Conditions means the standard conditions set out in schedule 3 to the CFRA 1970, which detail certain obligations you have, and certain rights we have, in relation to the Property.

In interpreting the CFRA Standard Conditions 'the creditor' means 'we', 'us' or 'our' (as appropriate) and 'the debtor' means 'you', 'your' or 'yours' (as appropriate);

Charge(s) means all fees and expenses which **we** apply (acting reasonably) in connection with the **Loan** and the **Lifetime Mortgage**;

Completion means the date on which **we** first advance money under a **Loan** to **you**;

Conditions means these terms and conditions (including the introduction in Section A);

Drawdown means any additional borrowing under the **Drawdown Facility**;

Drawdown Facility means the facility of that name **we** provide under the **Offer of Loan** (if any) as set out in **your Offer of Loan** (if such a facility is available to **you**);

Early Repayment Charge means the early repayment charge set out in the **Offer of Loan**;

Your Guide to Early Repayment Charges means **our** guide on early repayment charges and which forms part of **your Lifetime Mortgage** with **us**;

Event of Default means any of the following circumstances:

(a) the **Amount Owed** is not repaid to **us** following a **Repayment Event** in accordance with the terms of Condition 13.2;

(b) compulsory purchase or requisition of all or any part of the **Property**;

(c) material false information or material omission in information given to **us**, including fraud or money laundering;

(d) the **Property** being used other than solely as a private residence, unless agreed by **us**

(e) if **you** are or become bankrupt or enter into any composition or arrangement with **your** creditors, or **you** have been found by a court of competent authority to have been engaged in criminal activity; or

(f) **you** are in material breach of **your** obligations under these **Conditions** or the **Offer of Loan** and either **you** have not remedied such breach within any reasonable period **we** specify, or the breach cannot be remedied;

Inheritance Protection Option is the option for **you** or **your** beneficiaries to be entitled to the **Protected Percentage**, as set out in **your Offer of Loan** (if **you** have selected this option);

Interest Rate means the rate or rates of interest which apply for the time being to the **Amount Owed** or any part of the **Amount Owed** (including any **Drawdown**) as set out in the **Offer of Loan**;

Interest Roll Up Lifetime Mortgage is a type of **Lifetime Mortgage** where the **Borrower** does not have to make monthly interest payments. Instead, any unpaid interest is added to the **Amount Owed** on a monthly basis for the remainder of the life of the **Lifetime Mortgage**. As a result, the **Borrower** pays interest on the **Loan**, any unpaid **Charges** and the interest that has built up over time. Your **Offer of Loan** will tell you what type of **Lifetime Mortgage** you have;

Lifetime Mortgage means the agreement for **your Loan** which is comprised of the **Offer of Loan**, the **Mortgage Deed**, the **Your Guide to Early Repayment Charges**, the **Tariff of Charges** and these **Conditions** (and, if the **Property** is located in Scotland, the **CFRA Standard Conditions**);

Loan means each and every sum which **we** lend **you** on the security of the **Lifetime Mortgage** (including each and every additional borrowing **you** apply for and **we** agree and each **Drawdown** (if any));

Long Term Care means care or supervision which **you** require and which:

(a) requires **you** to receive care on an ongoing and long term basis outside the **Property**, including but not limited to entering into a residential care home, nursing home, or moving in with family or friends where there is no intention to return to the **Property**. **Long Term Care** does not include temporary stays in hospitals or to visit family or friends; and

(b) requires **you** to be absent from the **Property** for any other reason for any period totalling 90 days or more in any period of 180 consecutive days; and

(c) is necessitated by or attributable to **your** physical or mental incapacity or impairment.

A certificate signed by a medical practitioner certifying the above will (in the absence of obvious error) be conclusive evidence of this;

LPA 1925 means the Law of Property Act 1925;

Main Residence means the property in which **you** are habitually resident (where **you** live most of the time);

Mortgage Deed means the mortgage deed (or, if the **Property** is in Scotland, the **Standard Security**) signed by **you** which incorporates these **Conditions**;

Net Sale Proceeds means the net sale proceeds that will be available on completion of the sale of the **Property**, after deducting all reasonable costs of sale, such as legal fees and estate agent fees;

No Negative Equity Guarantee means that **you** or **your** estate would not be left with an outstanding debt from the **Lifetime Mortgage** where the **Property** is sold for the best price reasonably obtainable (subject to certain conditions set out in Condition 4);

Offer of Loan means the document named "**Offer of Loan**" that **we** have given to **you**, containing **our** written offer and setting out the particular terms and conditions on which **we** will make a **Loan** to **you**;

Optional Payment Lifetime Mortgage is a type of **Lifetime Mortgage** where the **Borrower** chooses to make an interest payment each month. If the **Borrower** stops making these payments, the unpaid interest is then added to the **Amount Owed** on a monthly basis for the remainder of the life of the **Lifetime Mortgage**. As a result of stopping making these payments, the **Borrower** pays interest on the **Loan**, any unpaid **Charges** and the interest that has built up over time. Your **Offer of Loan** will tell you what type of **Lifetime Mortgage** you have;

Payment Date means the day of the month specified in **your Offer of Loan**;

Property means the property described in the **Lifetime Mortgage** and includes each and every part of such property and all fixtures and fittings;

Proposed Sale Price has the meaning set out in Condition 12.2;

Protected Percentage means the percentage of **Net Sale Proceeds** which **you** have chosen to protect if **you** have selected the **Inheritance Protection Option** (as set out in the **Offer of Loan**);

Related Rights has the meaning set out in Condition 19;

Repayment Event has the meaning set out in Condition 13.1;

Standard Security means a standard security in accordance with the terms of the CFRA 1970 over the **Property**;

Tariff of Charges means **our Tariff of Charges** which sets out **our** standard fees and charges as in effect from time to time;

Valuation Price has the meaning set out in Condition 12.4;

we, **our** and **us** means Legal & General Home Finance Limited and includes **our** successors, assigns and transferees whether legal or equitable and whether in relation to all or part of the **Amount Owed**, and may at any time mean more than one of them; and

Working Days means any day other than a Saturday, Sunday or any day which is a public holiday in England and Wales (if **your Property** is in England or Wales) or in Scotland (if **your Property** is in Scotland).

28. Interpretation of these Conditions

28.1 Any reference to a "month" and "monthly" means a calendar month.

28.2 Any reference to "**you**" includes **your** legal representatives should **you** die, become bankrupt or become unable to manage **your** affairs.

28.3 Where there is more than one **Borrower**:

(a) "**you**" and "**your**" refer to both of **you** together and each of **you** separately;

(b) if either of **you** dies, becomes bankrupt or becomes unable to manage **your** affairs this will not affect the liability of the other one of **you**; and

(c) **your** liability to **us** is both joint and several which means that **we** can enforce the **Lifetime Mortgage** against any or both of **you** for the **Amount Owed**.

28.4 Any reference to any provision of any law includes that provision as updated or altered at any time.

28.5 References to any document include all variations, replacements and amendments to that document.

28.6 Any phrase introduced by the terms "including", "include", "in particular" or a similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

28.7 Any reference to these **Conditions** or to any other document is a reference to these **Conditions** or to that other document as validly amended, varied, supplemented, restated or novated (in each case, other than in breach of the provisions of these **Conditions**) at any time.

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