

This is a Finance Agreement made between us, Chain Mender Limited, Chiltern House, 45 Station Road, Henley-on-Thames, Oxfordshire RG9 1AT and you the person(s) identified as the Obligor in the box below.

FULL NAME(S) OF OBLIGOR		FULL POSTAL ADDRESS(ES) OF OBLIGOR		
KEY FINANCIAL INFORMATION				
Amount of finance	Rate of interest	Duration of the Agreement	Timing of repayments	Amount of the repayment
£[_____]	Nil	Until the Property is sold	One repayment, repayable on the sale of the Property	£[_____]
KEY INFORMATION				
BY SIGNING THE FINANCE AGREEMENT YOU DO NOT HAVE TO DRAW DOWN THE FINANCE OR SELL YOUR HOME				
Security				
The finance is conditional upon you providing us with a Participating Mortgage in our standard form, over [<u>address of property</u>].				
Description of the Finance				
Non-recourse finance marketed under the name of CHAIN FREE®. There is no interest rate associated with this finance. Non-recourse means that you are not personally liable to repay the finance. We can only obtain repayment of the finance from the sale proceeds of the Property. If the proceeds are less than the amount of the finance, you will not be required to repay any shortfall on the finance.				
From the date you draw down the finance and vacate the Property the Plan will be responsible for all outgoings of the Property of whatever nature including utility costs and insurance. The Plan will also in such circumstances pay all legal costs of selling the Property and any costs relating to preparing the Property for sale to endeavour to achieve the highest possible price. (You will remain responsible for payment of any fees due to the Introducer Estate Agent (see point 2 of the attached standard terms of this Finance Agreement).				
Drawdown of the Finance				
The finance can be drawn down at any time during the Facility Period (ie the latest date for drawdown is [<i>insert date</i>]). Please inform our Legal Department at Chain Mender Limited, Chiltern House, 45 Station Road, Henley-on-Thames, Oxfordshire RG9 1AT (Telephone: 0870 067 5889. Email: legaldepartment@chainmender.co.uk) if you wish to draw down the finance.				
We will not provide the finance if any event contained in point 6 of the attached standard terms has occurred or would result from making the finance.				
Vacant Possession				
On the date of draw down of the finance and prior to draw down, you and any other person living at the Property shall vacate the Property and deliver all keys for the Property to the Introducer Estate Agent.				
You must arrange for the Introducer Estate Agent on the date of draw down of the finance and prior to draw down, to have access to the Property:				
1. to ensure that it is vacant and in particular to check that:				
1.1 you have removed all personal items from the Property, including from any loft, cellar, outbuilding, garage, or garden area;				
1.2 all rooms within the Property are free from chattels and clear of any rubbish or waste;				
1.3 no Hazardous Waste has been left in or on the Property.				
2. to read the gas, electricity and water meters.				

KEY INFORMATION (CONTINUED)

We will not provide the finance if you do not vacate the Property in the above manner. Once you have vacated the Property you will not be able to re-enter it at any time.

Timescale for entering into the Finance Agreement

You are not bound by the terms of the Finance Agreement until we receive:

1. your signed copy of the Finance Agreement;
2. the enclosed instructions ("the Instructions to Solicitors") to your solicitors to forward the contribution (payable under the Terms and Conditions) to us if the finance is not drawn down;
3. the Terms and Conditions; and
4. the CML Agreement.

If you wish to accept the finance you will need to return to Chain Mender Limited, Post Offer Department, Chiltern House, 45 Station Road, Henley-on-Thames, Oxfordshire RG9 1AT by *[insert date which is 15 working days after the date of Chain Mender Limited's valuation]* the signed Finance Agreement, the Instructions to Solicitors, the Terms and Conditions, and the CML Agreement.

Signed by the Obligor(s)

Signed: _____

Signed: _____

Print name: _____

Print name: _____

Date: _____

Signed by Chain Mender Limited

Signature: _____

Date: _____

Standard Terms

1. Repayment of the finance

- 1.1 The finance will be repaid from the sale proceeds of the Property.
- 1.2 You authorise us at our own cost, and following draw down of the finance to:
 - 1.2.1 take whatever action we believe necessary to maintain and prepare the Property for sale to endeavour to achieve the highest possible price; and
 - 1.2.2 sell the Property in your name and on your behalf in any manner and at any time we believe appropriate.
- 1.3 Although you are not personally liable to repay the finance, you may at any time voluntarily prepay the finance.

2. Introducer Estate Agent

- 2.1 Subject to point 3 below:
 - 2.1.1 the Introducer Estate Agent shall be appointed by you as the sole selling agent of the Property ~~until the Property is sold. for the duration of the Facility Period; and~~
 - 2.1.2 any fees due to the Introducer Estate Agent will be payable by you.
- 2.2 We have agreed with the Introducer Estate Agent that where you draw down the finance and the Introducer Estate Agent sells the Property for less than the Valuation, the Introducer Estate Agent shall receive the Reduced Sale Fee as opposed to the Commission Rate.
- 2.3 If you draw down the finance and we consider, acting reasonably, that the replacement of the Introducer Estate Agent by another estate agent would increase the likelihood of achieving exchange of contracts for the sale of the Property then we may at or at any time after the end of the Facility Period, appoint another estate agent to replace the Introducer Estate Agent to sell the Property ~~at the Plan's cost~~ at a fee no higher than the Commission Rate. Any fees due to the Alternative Estate Agent will be payable by you. In such circumstances, we will agree with the Alternative Estate Agent that, if the Alternative Estate Agent sells the Property for less than the Valuation, the Alternative Estate Agent shall receive the Reduced Sale fee as opposed to the Commission Rate. In such circumstances we will also agree with the Introducer Estate Agent that you shall not be liable to pay any commission to the Introducer Estate Agent following the replacement of the Introducer Estate Agent with the Alternative Estate Agent.
- 2.4 You authorise the Introducer Estate Agent and Alternative Estate Agent to disclose to us and any of our agents from time to time, any information we or our agents may require on the progress of the sale of the Property.

3. Withdrawal of the Property from the market

You can at any time during the Facility Period and prior to draw down of the finance, remove the Property from the market for the remainder of the Facility Period. In such circumstances you and the Introducer Estate Agent will need to confirm to us in writing that the Property has been withdrawn from the market for the remainder of the Facility Period.

4. Undertakings

You shall not without our prior consent:-

- 4.1 give or leave in place any security on the Property; or
- 4.2 sell, transfer, lease or otherwise dispose of the Property.

5. Representations And Warranties

- 5.1 You confirm that to the best of your knowledge:
 - 5.1.1 no part of the Property is tenanted or used for business purposes;
 - 5.1.2 you are not aware of any structural defects, dry rot or flooding in the Property;
 - 5.1.3 the Property is free from subsidence;
 - 5.1.4 there have been no previous claims for subsidence made at the Property; and
 - 5.1.5 no claims for subsidence are outstanding on the Property.
- 5.2 You confirm that there are no disputes with any of your neighbours which affect the Property.
- 5.3 You confirm that and for so long as the finance is outstanding:
 - 5.3.1 all factual information supplied by you to us in connection with the finance was true as at its date and did not omit anything material; no subsequent change has occurred which renders it untrue or misleading;
 - 5.3.2 you have power to own all of your assets, and to borrow the finance; and
 - 5.3.3 no event contained in point 6 below has occurred and is continuing.

6. Default

- 6.1 Each of the following shall be an event of default:-
 - 6.1.1 you fail to pay when due any sum payable by you under the Finance Agreement or the Participating Mortgage;
 - 6.1.2 you fail to comply with any other provision of the Finance Agreement or the Participating Mortgage;
 - 6.1.3 any representation or warranty in point 5 above or in the Finance Agreement or the Participating Mortgage proves to have been untrue or inaccurate in any material respect;
 - 6.1.4 a receiver is appointed over the Property or any legal process is taken, or enforced upon the Property and any such action is not lifted or discharged within 14 days;
 - 6.1.5 any step is taken by you or any other person to appoint an administrator of you;
 - 6.1.6 you stop or suspend payment of your debts or you are (or are deemed to be) unable to pay your debts as they fall due or propose or enter into any agreement or composition for the benefit of your creditors generally;
 - 6.1.7 a petition is presented or any order is made for your bankruptcy;
 - 6.1.8 you die or become mentally incapacitated;
 - 6.1.9 any part of the Finance Agreement or the Participating Mortgage becomes (or is alleged to be) unlawful or unenforceable in any respect;
 - 6.1.10 any other circumstance or event occurs which will have a Material Adverse Effect.
- 6.2 If any of the events listed in point 6.1 above occurs:
 - 6.2.1 the finance and all other Liabilities will become payable; and or
 - 6.2.2 we can cancel the finance if undrawn; and/or
 - 6.2.3 we can enforce our security for the finance.
- 6.3 If any event listed in point 6.1 above occurs you will not be personally liable to repay the finance and all other Liabilities. We can only obtain repayment of the finance and all other Liabilities from the sale proceeds of the Property.

7. Notices

- 7.1 Any demand, notice or other communication under the Finance Agreement will be in writing.
- 7.2 Any such demand, notice or other communication will, if given or made in accordance with this point

7, be deemed to have been duly given or made as follows:-

- 7.2.1 if sent by prepaid first class post, on the second Working Day after the date of posting; or
- 7.2.2 if delivered by hand or sent by facsimile (subject to receiving confirmation of the facsimile transmission), upon delivery or despatch at the address provided for in this point 7; provided however that if it is delivered by hand or sent by facsimile on a day which is not a Working Day or after 4.00 p.m. on a Working Day it will instead be deemed to have been given or made on the next Working Day.
- 7.3 Any such demand, notice or other communication will in the case of the service by post or delivery by hand be addressed to
- 7.3.1 you at the forwarding address which you have provided to us, or
- 7.3.2 us at Chain Mender Limited, Post Offer Department, Chiltern House, 45 Station Road, Henley-on-Thames, Oxfordshire RG9 1AT, or at such other address as may from time to time be notified in writing by you or us as being the address for service.

8. Assignment

- 8.1 You may not assign or transfer any of your rights or obligations under the Finance Agreement or the Participating Mortgage.
- 8.2 We may assign all or any part of our rights under the Finance Agreement or the Participating Mortgage. We may disclose on a confidential basis to any actual or potential assignee or transferee of any such rights, any information about you we consider appropriate.

9. General

- 9.1 If we fail or delay in exercising any right or remedy under the Finance Agreement this does not mean that we have waived that right or remedy and we may exercise any right or remedy on more than one occasion.
- 9.2 If any part of the Finance Agreement is not valid or enforceable then that will not affect any other part.
- 9.3 The Finance Agreement shall be governed by and construed according to the laws of England and Wales and the courts of England and Wales shall have exclusive jurisdiction for all purposes in connection with the Finance Agreement .

10. Interpretation

- 10.1 Any reference in the Finance Agreement to:
- 10.1.1 **you** is to the Obligor(s) under the Finance Agreement and where there is more than one Obligor, the obligations of each Obligor under the Finance Agreement , shall be joint and several;
- 10.1.2 **we, us or our** is to Chain Mender Limited (Company Number 05808405);
- 10.1.3 **Alternative Estate Agent** means the estate agent appointed by us to replace the Introducer Estate Agent under point 2.3 above;
- 10.1.4 **CML Agreement** means the Agreement between you and us dated on or about the date you sign this Finance Agreement under which you confirm your acceptance of us as administrator and manager of the Plan;

- 10.1.5 **Commission Rate** means the percentage rate of commission agreed by the Introducer Estate Agent and you for the sale of the Property;
- 10.1.7 **Facility Period** means the 75 Working Day period starting from the date of the Valuation of the Property or such longer period as we in our sole discretion determine;
- 10.1.8 **Hazardous Waste** means any waste that is or may be hazardous, and shall include without limitation, paints, coatings and related products, household cleaning materials, bleaches, garden chemicals, pesticides and herbicides, poisons, pet care products, motoring products, vehicle batteries, tyres, electrical and electrical equipment, gas bottles and fluorescent light tubes where such tubes are not part of the fixtures and fittings of the Property;
- 10.1.9 **Introducer Estate Agent** means the estate agent who introduced you to us and in the case of point 2.3 above and in the definition of Alternative Estate Agent, any Alternative Estate Agent;
- 10.1.10 **Liabilities** has the same meaning as in the Participating Mortgage;
- 10.1.11 **Participating Mortgage** means the Participating Mortgage over the Property to be granted by you to us;
- 10.1.12 **Plan** means the CHAIN FREE® Home Owners Plan;
- 10.1.13 **Property** is the Property detailed in the Key Information Section of the Finance Agreement ;
- 10.1.14 **Reduced Sale Fee** means 75% of the Commission Rate;
- 10.1.15 **Terms and Conditions** means the Terms and Conditions of Participation in the CHAIN FREE® Home Owners Plan™ which was forwarded to you with the Finance Agreement ;
- 10.1.16 **Valuation** means the valuation used by the Plan as the basis of the finance and which was forwarded to you with the Finance Agreement ;
- 10.1.17 **Working Day** means a day other than Saturday and Sunday or a public holiday in England and Wales;
- 10.1.18 **material adverse effect** means any effect which in our opinion might adversely affect (i) your ability to comply with your obligations under the Finance Agreement or the Participating Mortgage, or (ii) the Property;
- 10.1.19 **a person** includes a reference to that person's successors, assignees or transferees;
- 10.1.20 **any legislation** will include all amendments, substitutions and re-enactments in force from time to time;
- 10.2 Any reference to the Finance Agreement includes these standard terms and reference to the Finance Agreement or any other document referred to in it will be construed as references to those documents in force from time to time and as amended, supplemented, restated, substituted or novated from time to time.