



AL RAYAN BANK



Banking you can believe in

Home Purchase Plan Scotland

Deeds of terms and conditions

alrayanbank.co.uk

DEED OF TERMS AND CONDITIONS

We, **Al Rayan Bank PLC** incorporated in England and Wales under the Companies Acts (number 04483430) and having our registered office at 44 Hans Crescent, Knightsbridge, London, SW1X 0LZ, as we intend to enter into Trust Deeds, Diminishing Musharakah Agreements, Co-beneficiaries Agreements and Service Agency Agreements, which will be secured by Standard Securities over properties in Scotland in our favour, HEREBY DECLARE that the following terms and conditions may be imported, by reference to this Deed of Terms and Conditions (or the relevant Sections thereof), into such Agreements and Standard Securities.

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Section 1: Interpretation

1. Glossary of defined terms

In this Deed of Terms and Conditions and each of the **HPP agreements**, unless the context otherwise requires, words and expressions shown in bold type have the following special meanings:

Term	Special meanings
acquisition cost	The amount shown in the HPP schedule as our contribution or, as the case may be, the finance balance as varied being the amount at which we agree under the diminishing musharakah agreement to sell our initial beneficial share of the property to you by you making acquisition payments during the payment term .
acquisition payment	Agreed acquisition payments and additional acquisition payments .
additional acquisition payment	Any extra payment towards the acquisition cost which you choose to make under clause 1.1 of the DMA terms to increase your beneficial share of the property (and correspondingly to decrease our beneficial share of the property) and which is made in addition to the agreed acquisition payments due from you under the diminishing musharakah agreement .
adjustment notice	Any notice served by us under part 1 (Payment Profile) of the Schedule to the DMA terms and clause 2 of the CBA terms , in which we notify you of the agreed acquisition payments (if any) and the occupancy payments to be paid on each of the payment dates in an occupancy period .
agreed acquisition payments	Each monthly acquisition payment , together with the final acquisition payment , payable in accordance with the terms of the diminishing musharakah agreement .
Al Rayan Bank variable occupancy payment rate	Base rate plus the margin .
base rate	The base rate set from time to time by the Bank of England for deposits in sterling on a monthly basis or, if the Bank of England ceases to set such rates, such alternative rate as we may choose.
beneficial interest	The beneficial interest in the property , and any share therein, as constituted by the trust created in terms of the trust deed .

Term	Special meanings
CBA terms	The terms of the co-beneficiaries agreement contained in section 4 of this Deed of Terms and Conditions.
Co-beneficiaries agreement	The co-beneficiaries agreement relating to the property made between us and you as co-beneficiaries under the trust created by the trust deed and entered into by you on the effective date .
completion date	The date on which you enter into the home purchase plan .
default notice	Any notice served by us under clause 10.2 of the DMA terms in which we notify you that an event of default has occurred.
delay payment	<p>With respect of any sum owed by and demanded from you but not paid on its due date, such additional sum determined by us to be the amount after applying the formula below:</p> $\frac{A \times B \times C}{360}$ <p>Where:</p> <p>“A” means the amount of such unpaid amount;</p> <p>“B” means the percentage published and issued by us from time to time;</p> <p>“C” means the number of days from and including such date on which the unpaid amount was due and payable to and including the date of actual payment (whether before or after judgment) in cleared funds.</p>
deed of variation	A deed entered into between you and us varying the terms of some or all of the HPP agreements in existence between us pursuant to a “new offer letter” as defined in such deed.
diminishing musharakah agreement	The diminishing musharakah agreement for the sale of our beneficial share in the property made between us and you and entered into by you on the effective date .
DMA terms	The terms of the diminishing musharakah agreement contained in section 3 of the T&Cs .
discount	The percentage shown in the HPP schedule which will be deducted from the margin in calculating the occupancy payments prior to the discount end date .
discount end date	The date shown in the HPP schedule as the date when the discount ceases to apply to the calculation of occupancy payments under the co-beneficiaries agreement .

Term	Special meanings
event of default	<p>Each of the following events and circumstances:</p> <ol style="list-style-type: none"> You fail to pay any agreed acquisition payment on its due date for payment. Any representation, warranty or other statement made by you in, or in connection with, any HPP agreement is incorrect or misleading when made. You are in default under any HPP agreement and/or breach, or fail to observe and perform any of the obligations and undertakings under or contained in any HPP agreement. You are in default under any other agreement pursuant to which you provide us with security for your obligations under any HPP agreement. You do not obtain or renew the insurance on the property in accordance with the co-beneficiaries agreement, the service agency agreement and/or the notice to insure. You let out, relet, share occupation of or fail to occupy the property without our consent as set out in the offer letter, the co-beneficiaries agreement or a letting consent letter. There is a material adverse change in your position or circumstances which might prevent you from complying with the provisions of any HPP agreement, or there is a material adverse change in the position of a guarantor which might prevent the guarantor from complying with their obligations under the guarantee or any guarantor security. You make any actual, or attempted, repudiation of any HPP agreement. We exercise our rights to terminate the co-beneficiaries agreement. Any further events of default included as special conditions in the offer letter shall be treated as set out here.
effective date	The last date of signing the HPP agreements or, where the HPP agreements are executed in counterpart, the date on which those counterparts are delivered.
final acquisition costs	The amount at which we agree under the diminishing musharakah agreement to sell our beneficial share of the property to you if you exercise your right under clause 6 of the DMA terms or we exercise our right under clause 5 of the DMA terms . The final acquisition costs will be equal to the finance balance , together with any extra cost incurred by us under the service agency agreement , but which has not been recovered through the supplemental occupancy payments .
final acquisition payment	The amount shown in the HPP schedule or in any subsequent adjustment notice as being payable on the final completion date , being the balance of the acquisition cost not previously paid by the monthly acquisition payments .
final completion	Us releasing the standard security and all of our interests in the property to you .
final completion date	The fifth (5th) working day following expiry of the payment term , or (if later) the date that the finance balance has been paid in full, or in each case such earlier date as may be fixed by notice served under clauses 5 or 6 of the DMA terms .

Term	Special meanings
finance balance	At any time, the acquisition cost less all acquisition payments made prior to that time.
finance to value	At any time, the percentage that the finance balance bears to the relevant valuation .
financial information statement	A statement setting out the key terms of the home purchase plan into which you are intending to enter, in accordance with the requirements of the Financial Conduct Authority and under which you will occupy the property as your home.
financial quotation statement	A statement setting out the key terms of the home purchase plan into which you are intending to enter, and under which you will let out the property with our consent as set out in the offer letter , the co-beneficiaries agreement or a letting consent letter .
first occupancy payment review date	The date specified in the HPP schedule which is the first date upon which an occupancy payment review takes place.
first occupancy period	The period commencing on the effective date until the payment date immediately following the first occupancy payment review date .
fixed occupancy payment rate	An occupancy payment rate agreed for a fixed occupancy payment rate period , which will be used to calculate the occupancy payments instead of the Al Rayan Bank variable occupancy payment rate .
fixed occupancy payment rate letter	A letter setting out the fixed occupancy payment rate and the fixed occupancy payment rate period agreed between you and us .
fixed occupancy payment rate period	A period during which it has been agreed between you and us that a fixed occupancy payment rate will apply in calculating the occupancy payments .
guarantee	The guarantee of your obligations under the HPP agreements given by a guarantor .
guarantor	A person who provides a guarantee of your obligations under the HPP agreements .
guarantor security	Security provided by a guarantor to us in respect of the obligations of the guarantor under the guarantee .
home purchase plan or HPP	The home purchase plan as documented by the HPP agreements .
HPP agreements	The offer letter , the diminishing musharakah agreement , the co-beneficiaries agreement , the service agency agreement , the standard security and the trust deed incorporating the T&Cs .

Term	Special meanings
HPP schedule	The financial details of the home purchase plan , as set out and so described in the offer letter .
initial occupancy payment rate	The occupancy payment rate applicable from the start of the payment term until the end of the first occupancy period .
initial payments schedule	The schedule in the offer letter showing the finance balance on the entry into the home purchase plan , the monthly payments as calculated prior to the first occupancy payment review date , the total monthly payments payable up to and including the payment date following immediately after the first occupancy payment review date and the finance balance on the payment date following immediately after the first occupancy payment review date .
initial valuation	The valuation of the property required to be delivered to us as a condition precedent to entry into the diminishing musharakah agreement or a deed of variation .
insured risks	Insurance of the property and any plant and machinery on the property , including fixtures and improvements on a full reinstatement basis, including, without limitation, site clearance, professional fees and value added tax against: <ul style="list-style-type: none"> (a) loss or damage by fire, explosion, subsidence, earthquake, riot and civil commotion, acts of terrorism, malicious damage, impact, flood, storm and tempest (including lightning), aircraft (other than hostile aircraft) and articles dropped from them, bursting or overflowing of water tanks, apparatus and pipes, boilers or heating equipment; (b) subsidence; and (c) such other risks that would normally be covered under a buildings risks policy taken by a reasonable and prudent person carrying on similar activities to you, and appropriate third party and public liability cover relating to the occupation and use of the property by you and ownership of the property by you.
landlord	If you hold the property as tenant under a long lease, your landlord under that lease.
lease charges	If you hold the property as tenant under a long lease, any charge or other outgoings which you are obliged under that lease to pay to any landlord .
letting consent letter	A letter from us to you consenting to you letting the property on the terms set out in the letter.
margin	The percentage rate set out in the HPP schedule subject to increase under clause 2.3 of the CBA terms to an amount not exceeding the margin cap .

Term	Special meanings
margin cap	The maximum increase in the margin under clause 2.3 of the CBA terms referred to in the HPP schedule being not more than 2% higher than the margin at the outset.
maximum finance to value	The percentage set out in the HPP schedule , being the finance to value that may not be exceeded prior to completion of the HPP agreements and throughout the payment term .
monthly acquisition payment	Each acquisition payment that you make as part of a monthly payment , in accordance with the terms of the diminishing musharakah agreement .
monthly payment	The aggregate of the occupancy payment and the monthly acquisition payment , payable each month on the payment date in that month.
notice to insure	The notice to insure addressed by us to you and accompanying the offer letter .
occupancy payment	The amount you pay for the right to occupy the property and the use of our beneficial share , in accordance with clause 1 of the CBA terms .
occupancy payment rate	The percentage found by adding the base rate to the margin , less any applicable discount . Or if the relevant occupancy period falls within a fixed occupancy payment rate period , the applicable fixed occupancy payment rate .
occupancy payment review	A review of the occupancy payments payable under the co-beneficiaries agreement , conducted in accordance with clause 2 of the CBA terms .
occupancy payment review date	In relation to any occupancy period , the last working day of the month before the start of that occupancy period .
occupancy period	A period of three (3) calendar months commencing on the day immediately after the end of the first occupancy period and (where applicable) each successive period of three (3) calendar months commencing on the day immediately following the end of the previous occupancy period . Or where such period would extend beyond the final completion date , such shorter period as will end on the final completion date .
offer letter	The offer letter setting out the terms of the agreement between you and us in relation to the property .
our beneficial share	Our share of the beneficial interest in the property from time to time, which is equal to the finance balance divided by the purchase price expressed as a percentage.

Term	Special meanings
our contribution	The amount referred to in the opening paragraph of the offer letter to be contributed by us to the purchase price of the property , or the amount payable by us in relation to a refinancing or the finance balance outstanding following entry into a deed of variation .
our initial beneficial share	Our beneficial share at the effective date , or following entry into a deed of variation and prior to receipt of any subsequent acquisition payment .
our service agent	You acting as trustee under the trust deed and as agent under the service agency agreement .
payment date	The day in each month for payment of the monthly payment , as specified in the HPP schedule .
payment term	The term of the HPP set out in the HPP schedule , over which you will acquire our beneficial share of the property by payment of the agreed acquisition payments .
property	The property referred to in the heading of the offer letter and which is more particularly described in the standard security , together with all heritable fixtures and fixtures and all rights relating thereto.
property purchase contract	A contract between you and the seller for the acquisition of the property .
purchase price	The purchase price of the property payable by you to the seller under the terms of the property purchase contract or, where there is a refinancing or entry into a deed of variation , an amount equal to the initial valuation , in each case as set out in the HPP schedule .
SAA terms	The terms of the service agency agreement contained in section 5 of the T&Cs .
secured obligations	All present and future obligations and liabilities (whether actual or contingent, and whether accrued jointly or severally or in any other capacity whatsoever) of you to us , whatever their nature or basis, in any currency or currencies, and however they are described, including (without limitation) <ul style="list-style-type: none"> (a) all sums due to us from time to time under the HPP agreements as each of them becomes due for payment, (b) all costs and expenses incurred by us in relation to the HPP agreements on a full indemnity basis, and (c) all costs, charges and expenses incurred by us in connection with the protection, preservation or enforcement of our rights under the HPP agreements.
security terms	The terms of the standard security contained in section 6 of the T&Cs .

Term	Special meanings
seller	The seller of the property under the property purchase contract .
service agency agreement	The service agency agreement entered into between you and us on the effective date under which you agree to insure the property in accordance with the notice to insure , to perform structural maintenance of the property , to discharge expenses relating to the property and to provide other services and to discharge other obligations as our service agent on the SAA terms .
service charge amount	The expenses incurred by you in the course of providing the services , which expenses shall be charged to us in accordance with clause 2 of the SAA terms .
service charge amount payment date	The third payment date following the next occupancy payment review date after the month we receive a notice from you to pay any service charge amount in accordance with the service agency agreement .
services	The services carried out by you under the service agency agreement in accordance with clause 1.1 of the SAA terms .
Sharia	The rules, principles and parameters of Islamic law as interpreted by the Sharia supervisory committee .
Sharia Supervisory Committee	The religious scholars appointed to advise us on the way in which Sharia will be applied in the operation of your account and the home purchase plan .
special conditions	The special conditions (if any) set out in paragraph 6 of the offer letter , which may include undertakings, representations, events of default and agreement to you letting the property .
standard conditions	The standard conditions specified in Schedule 3 to the 1970 Act.
standard security	The first-ranking standard security granted by you to us over the property on the effective date .
supplemental occupancy payment	The amount charged to you by us equal to the amount charged by you to us under the service agency agreement .
T&Cs	The terms and conditions applicable to the HPP agreements contained in this Deed of Terms and Conditions, including this glossary of defined terms used in the HPP agreements .
tariff list	At any time and from time to time, the list of charges that we make for carrying out certain tasks, or which are payable by you in certain circumstances. The tariff list applicable at the date of the offer letter has been sent to you with the offer letter but the charges may be varied from time to time in accordance with clause 4.3 of the DMA terms and the current tariff list is available from us on request or through our website.

Term	Special meanings
TD terms	The terms of the trust deed contained in section 2 of the T&Cs .
total loss	Any event which results in the property being destroyed or damaged beyond repair, or permanently rendered unfit for normal use for any reason whatsoever.
trust deed	The trust deed entered into by you on the effective date and constituting the beneficial interest in the property in favour of us and you jointly.
valuation	The open market value of the property as shown in the most recent valuation of the property obtained pursuant to or in relation to the offer letter or the diminishing musharakah agreement .
we, us and our	Al Rayan Bank PLC, incorporated in England and Wales under the Companies Acts (registered number 04483430) and having its registered office at 44 Hans Crescent, Knightsbridge, London SW1X 0LZ, including our successors in title and assignees or any person to whom we may transfer our interest in the property from time to time, and “ our ” means those things related to us .
working day	Any day on which banks are open for general, non-electronic business in the City of London, excluding Saturdays, Sundays and bank or other public holidays.
you, your and yours	The person or persons (other than us) signing the offer letter and the other HPP agreements as a customer, trustee, co-beneficiary and purchaser of our beneficial share of the property from us and our service agent under the service agency agreement , and “ your ” means those things related to you .
your beneficial share	Your share of the beneficial interest in the property from time to time, which is initially equal to your initial beneficial share but is thereafter equal to the entire beneficial interest in the property , other than our beneficial share .
your contribution	The amount that you will contribute to the purchase price of the property , being the balance of the purchase price after taking account of our contribution and including any deposit paid on entry into the property purchase contract , as shown in the HPP schedule .
your initial beneficial share	Your share of the beneficial interest in the property , which is equal to the entire beneficial interest in the property less our initial beneficial share .
your registered address	Your address as shown on the front page of the diminishing musharakah agreement .
1970 Act	The Conveyancing and Feudal Reform (Scotland) Act 1970.

Rules of interpretation

2. Rules of interpretation

In this Deed of Terms and Conditions and each of the **HPP agreements**:

- 2.1 Words in masculine form also include the feminine and neuter and the singular also includes the plural.
- 2.2 References in a Section of this Deed of Terms and Conditions to “this **deed**” are references to any **HPP agreement** in which such Section is incorporated.
- 2.3 Unless otherwise provided, references in a **HPP agreement** or any Section of this Deed of Terms and Conditions to a numbered clause or paragraph but without further designation are references to the clause or paragraph so numbered in such **HPP agreement** or Section, and references in any Section of this Deed of Terms and Conditions to a Schedule are references to such Schedule to that Section.
- 2.4 Words importing persons include an individual, company, corporation, firm, partnership, unincorporated association or body of persons, and any state or governmental or local division or agency of a state.
- 2.5 References to this Deed of Terms and Conditions or any **HPP agreement** (or any specified provisions of them) shall mean such Deed of Terms and Conditions or **HPP agreement** (or such specified provisions of them) as amended, varied, novated or supplemented from time to time with the agreement of the parties thereto and with **our** prior written consent, whether pursuant to a **deed of variation** or otherwise.
- 2.6 References to any legislation, statute, rule or order (other than the Town & Country Planning (Use Classes) (Scotland) Order 1997) shall be deemed to include every statutory modification, re-enactment or replacement of it for the time being in force and every by-law, statutory instrument, rule, order, notice, direction and regulation from time to time made or in force under it.
- 2.7 References to tax or taxation are to present and future taxes together with any penalties, additions, fines or surcharges or any extra payments properly payable on such taxes.
- 2.8 Where any obligation is undertaken by two or more persons, that obligation shall apply to all such persons jointly and each of them individually.

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- 2.9 Any undertaking or obligation by any person not to do or omit an act or thing shall be deemed to include an obligation not to permit or suffer such act or thing to be done or omitted by another person.
- 2.10 Any reference to the end of the **payment term** means the expiry or earlier termination of the **payment term** and any reference to the last year of the **payment term** means the period of 12 calendar months immediately preceding such expiry or earlier termination.
- 2.11 The descriptive headings to clauses and sections of each **HPP agreement** and this Deed of Terms and Conditions are inserted for convenience only, have no legal effect and shall be ignored in interpreting the **HPP agreements** and this Deed of Terms and Conditions.
- 2.12 The words “including” and “in particular” are used by way of illustration or emphasis only and the use of the word “other” shall not be construed as limiting the generality of any other words.



Section 2: Trust Deed Terms (TD terms)

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1. Parties' obligations

The parties to this **deed** undertake and agree to observe and be bound by the whole terms and conditions of the **diminishing musharakah agreement**, the **co-beneficiaries agreement** and the **service agency agreement**, each of which shall be deemed to be incorporated into this **deed**.

2. No right of transfer

The parties to this **deed** agree and undertake that neither of them shall, while the trust declared and created by this **deed** remains in effect, require the **customer** as trustee under this **deed** to convey or make over to them or either of them their rights and interests in the **property** or any part thereof or to wind up or terminate the trust except as provided in clause 3.

3. Termination

3.1 Upon the full and final payment and discharge of all of **your** obligations under the **diminishing musharakah agreement** and the **co-beneficiaries agreement**, and the acquisition by **you** of **our initial beneficial share** in full in accordance with the terms of the **diminishing musharakah agreement** and the release by **us** of the **standard security**, the trust declared and created by this **deed** shall automatically terminate and cease to be of effect and **you** and **we** shall be released from **our** obligations under this **deed**.

3.2 In the event that the **standard security** shall be enforced by **us** pursuant to a default thereunder by **you**, the trust declared and created by this **deed** shall (but only when such enforcement has been completed irrevocably and in full) automatically terminate and cease to be of effect.

4. Assignment

You may not assign or create any security interest over **your** rights and interests in and under the trust created by this **deed** or agree to do so.

5. Governing law

This **deed** shall be governed by and construed in accordance with the law of Scotland and each of the parties prorogates the non-exclusive jurisdiction of the Scottish courts so far as not already subject thereto and waives any claim that such jurisdiction is not convenient or appropriate.



Section 3: Diminishing Musharakah Agreement Terms (DMA terms)

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Sharia compliance guaranteed

As an Islamic bank, you can be assured that our Home Purchase Plan (HPP) products follow the Sharia rules and requirements for Diminishing Musharaka and Ijara. Where the offer letter and / or HPP agreement is silent about the Bank's approach in relation to Sharia; the default position is to apply Sharia requirements regarding such matters even if not stated clearly in these terms and conditions.

Our commitment to you, is that Sharia principles will form an integral part of the agreement between you and us at all times. The Bank will fulfill its legal and Sharia requirements regarding its duties and obligations in relation to its share of the property in accordance with the requirements of the Diminishing Musharaka principle whether such obligations are listed in this agreement or not.

We assure you that:

- We will treat you fairly in accordance with Sharia ethical conduct
- We will always follow our Sharia governance and the guidance provided by our Sharia Supervisory Committee, and where applicable assess matters on a case by case basis to ensure that Sharia requirements are not compromised.

1. Sale and purchase

- 1.1 **You** may make an **additional acquisition payment** in accordance with the terms of the **offer letter**.
- 1.2 Each **acquisition payment** made by **you** shall result in **our beneficial share** of the **property** decreasing and, consequently, **your beneficial share** of the **property** increasing.
- 1.3 **You** acknowledge and agree that the **agreed acquisition payments** due from **you** must be paid by **you** to such bank account in the United Kingdom as **we** may from time to time require, and **you** will provide and maintain a direct debit mandate in **our** favour entitling **us** to debit the **agreed acquisition payments** from **your** bank account.
- 1.4 **We** shall not be obliged to deliver a discharge of the **standard security** or release any of **our** other interests in the **property** to **you** while any sums (including but not limited to the **finance balance**) are owing or unpaid by **you** under this **deed** or any other **HPP agreement**.
- 1.5 Any payments **we** receive from **you** pursuant to this **deed**, the **co-beneficiaries agreement**, the **standard security**, the **service agency agreement** or the **trust deed** shall be applied in the following order:
 - 1.5.1 firstly, in meeting any charges which have become payable under the **tariff list** (which for the avoidance of doubt includes (without limitation) legal costs and expenses incurred as a result of **us** enforcing this **deed** or any other **HPP agreement**) but which **you** have failed to pay;
 - 1.5.2 secondly, in paying any sums due but unpaid under the **standard security**;

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- 1.5.3 thirdly, in paying any sums due but unpaid by **you** as **our service agent** under the **service agency agreement**
 - 1.5.4 fourthly in paying any sums due but unpaid under the **co-beneficiaries agreement**;
 - 1.5.5 fifthly, in paying any **acquisition payments** which are due but unpaid;
 - 1.5.6 sixthly, in reducing or discharging the **finance balance** or the **final acquisition costs** (as the case may be).

2. Final completion

- 2.1 Provided that **you** have made all the **acquisition payments** required to purchase **our beneficial share** and paid all outstanding sums due by **you** under this **deed** and each other **HPP agreement**, the discharge of the **standard security** and the release of any of **our** other interests in the **property to you** shall be completed on the **final completion date**, and on the **final completion date** a discharge of the **standard security** shall be executed by **us** and delivered to **you**.
- 2.2 If **we** hold any shares in a management company relating to the **property** then on **final completion you** promise to buy them, at the price (if any) which **we** paid for them. **We** shall also resign in **your** favour any directorships or other offices which **we** may hold in such management company by virtue of **us** holding the benefit of the **standard security** or **our** ownership of the shares in such company.
- 2.3 **Occupancy payments** and all other sums outstanding, payable or due during the **occupancy period** in which **final completion** occurs and other sums payable under the **co-beneficiaries agreement** or any other **HPP agreement** shall be payable on **final completion**.
- 2.4 If there is a default by **you** in performing **your** obligations under this **deed** and **final completion** is delayed, then **we** shall continue to be entitled to the **occupancy payments** and all other sums due under the **co-beneficiaries agreement** until actual **final completion**.
- 2.5 **We** shall only be required to execute one (1) discharge of the **standard security** on **final completion**.
- 2.6 On **final completion**, **you** shall if requested deliver to **us** a **deed** in such form as **we** may reasonably require releasing **us** from all liability under **our** obligations and undertakings in the **co-beneficiaries agreement**.

3. Title

For the duration of this **deed**, legal title to the **property** shall vest in **you**. **Your** legal title to the **property** shall be subject to the **standard security** and the **trust deed**.

4. Costs and expenses

- 4.1 Without prejudice to clause 12.8, if **you** fail to pay **us** any sum on its due date for payment under this **deed**, **you** hereby agree that **you** shall pay to **us** on demand any and all of **our** actual costs and expenses (including legal fees of any collection agents) incurred in connection with recovering any unpaid amount (including without limitation **agreed acquisition payments** or **final acquisition costs**) due to **us** under this **deed**.
- 4.2 In addition to clause 4.1 above, if **you** fail to pay to **us** any sum (including without limitation the **agreed acquisition payments** or **final acquisition costs** payable under this **deed**) on its due date for payment, or in the case of a sum payable on demand, on the due date of demand, **you** agree to pay to **us** a **delay payment** in the relevant amount (save as otherwise expressly provided in this **deed**). Any amount received by **us** pursuant to this clause 4.2 in excess of **our** actual losses caused by such delay (but excluding any opportunity costs of reinvesting any unpaid amounts) shall be donated by **us** to charity in accordance with the guidance received from the **Sharia Supervisory Committee**.
- 4.3 **You** agree to pay the charges shown in the **tariff list**. **We** may vary the charges or include new charges in the **tariff list** so as to reflect reasonable changes in the cost of administration associated with this **deed**, any other **HPP agreement** or in the cost of services provided by **us** or by **our** solicitors acting for **us** in connection with any of the documents (or matters arising under such documents) referred to in this clause 4.3.

5. Termination

- 5.1 In each of the following circumstances if:
- 5.1.1 the **property** is destroyed or damaged by an **insured risk** and in **our** reasonable opinion the **property** cannot be completely rebuilt or reinstated from the insurance proceeds available to **you** or from **your** other available resources, so that the **finance to value**, does not exceed the **maximum finance to value** or if **you** notify **us** of the occurrence of a **total loss** under clause 4 of the **CBA terms**;
- 5.1.2 **we** lawfully exercise or seek to exercise **our** power of sale under the **standard security**; or
- 5.1.3 an **event of default** occurs that is continuing and has not been remedied, **we** may serve not less than ten (10) **working days'** notice on **you** nominating a new **final completion date** and requiring **you** to complete the purchase of **our beneficial share** by payment of the **final acquisition costs**, and **you** undertake to **us** to complete the purchase of **our beneficial share** on the revised **final completion date** at such **final acquisition costs**.

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- 5.2 If **you** fail to complete the purchase of **our beneficial share** on the **final completion date** nominated under clause 5.1, **we** may (but shall not be obliged to) serve a further written notice on **you** to exercise **our** rights to determine the **co-beneficiaries agreement** and to terminate **your** rights under this **deed** and on the expiry of the period specified in that notice **your** right to acquire **our beneficial share** pursuant to the terms of this **deed** shall immediately cease and determine but without prejudice to any previous breach by **you** of **your** obligations.
- 5.3 After the expiry of the notice referred to in clause 5.2 and subject to clause 5.4, **we** shall be entitled to enforce the **standard security** and sell the **property** free of **your** rights under this **deed** and/or the **co-beneficiaries agreement** and **you** acknowledge and accept that on enforcement of the **standard security** the trust created by the **trust deed** shall automatically terminate and cease to be of effect and **you** will no longer have a **beneficial interest** in the **property**. **We** undertake to **you** to pay to **you** any balance of the proceeds of the sale (if any) of the **property** on the enforcement of the **standard security** and, if applicable, any insurance proceeds after deducting the following amounts (in the following order of priority and so far as compatible with the provisions of the **1970 Act**);
- a) firstly, by deducting any amounts payable to discharge all outgoings affecting the **property**;
 - b) secondly, by deducting amounts payable for discharging all costs and expenses incurred by **us** in selling the **property**;
 - c) thirdly, in paying **us** the aggregate of all sums due but unpaid under the **standard security**;
 - d) fourthly, in paying the aggregate of all sums due but unpaid by **you** as **our service agent** under the **service agency agreement**;
 - e) fifthly, in paying **us** the aggregate of all sums due but unpaid under the **co-beneficiaries agreement**;
 - f) sixthly, in paying to **us** any **acquisition payments** which are due but unpaid under this **deed**;
 - g) seventhly, in reducing or discharging the **finance balance** or the **final acquisition costs** (as the case may be); and
 - h) eighthly (if applicable), in paying any amounts due under any security (other than the **standard security**) registered against the **property**.
- 5.4 **You** acknowledge and agree that a sale of the **property** in accordance with clause 5.3 shall be pursuant to the exercise of **our** power of sale under the **standard security**.
- 5.5 **We** shall not be liable to **you** for any loss, damage or expense which arises out of the exercise or purported exercise of **our** powers under this clause 5, the **standard security** or the **co-beneficiaries agreement**, unless such loss, damage or expense is due to **our** wilful default or gross negligence.

6. Sale at your request

- 6.1 **You** may at any time by not less than ten (10) **working days'** written notice to **us** nominate any **payment date** within six (6) months from the date of such written notice being received by **us** as the **final completion date** and require **us** to deliver to **you** a discharge of the **standard security** on payment of the **final acquisition costs**.
- 6.2 **We** are not obliged to deliver a discharge of the **standard security** until **we** are satisfied that all sums due under this **deed** (including without limitation all **acquisition payments** necessary for **you** to purchase **our beneficial share**) and to discharge all liabilities arising under the **co-beneficiaries agreement**, the **service agency agreement** and the **standard security** will be paid in full on delivery of such discharge.
- 6.3 If **final completion** occurs pursuant to a notice served under clause 6.1 the proceeds of sale received by **us** shall be applied in the order set out in clause 5.3.
- 6.4 **You** do not have the authority from **us** to place the **property** on the market for sale to the public without **our** prior written consent unless **you** instruct a solicitor and/or an estate agent to act. This does not apply if the **property** is being sold to family members or friends.
- 6.5 On the delivery of a discharge of the **standard security** in accordance with this clause 6, the trust created by the **trust deed** shall automatically terminate and cease to be of effect and **we** will no longer have a **beneficial interest** in the **property**.

7. Matters occurring before final completion

- 7.1 **We** shall not be liable to **you** in respect of, nor shall **you** be entitled to terminate this **deed** or claim any compensation or loss (of whatever nature) from **us** as a result of any matter affecting the **property** occurring whether before or after the date of this **deed** (including without limitation those referred to in clause 7.2) except where caused by **our** deliberate actions.
- 7.2 The matters referred to in clause 7.1 are:
- 7.2.1 any damage or defect in or to the **property** (whether insured or not) or any deterioration in the physical condition of the **property**;
- 7.2.2 any occupation of the **property** by third parties;
- 7.2.3 any breach by **you** of the **co-beneficiaries agreement**, the **service agency agreement** or the **standard security**; and
- 7.2.4 any site conditions, environmental or geo-physical matters that may affect the **property** all of which matters **you** shall be deemed to have knowledge of or satisfied **yourself** about prior to entry into this **deed**.

8. Representations and warranties

You make each representation and warranty set out in part 2 (Representations and warranties) of the Schedule on (a) the date of this **deed** and (b) each **payment date** by reference to the facts and circumstances then existing.

9. Undertakings

- 9.1 **You** hereby undertake to comply with each of the undertakings set out in part 3 (Undertakings) of the Schedule and to observe and perform all of the obligations expressed to be assumed therein.
- 9.2 If **you** fail to observe and perform all the obligations expressed to be assumed in the provisions of paragraph 2 of part 3 (Undertakings) of the Schedule **we** may, at **your** expense, effect any insurance and generally do such things as **we** may reasonably consider necessary or desirable to prevent or remedy any breach of paragraph 2 of part 3 (Undertakings) of the Schedule.

10. Events of default

- 10.1 **You** shall promptly notify **us** in writing of any matter which might adversely affect **your** ability to perform any of **your** obligations under this **deed** and of any **event of default** that has occurred, or which may or is likely to occur with the lapse of time or otherwise.
- 10.2 Upon the occurrence of an **event of default**, **we** shall send **you** a **default notice** which shall be in writing, sent by first class post pre-paid to **your registered address** and deemed to be given two (2) **working days** after it was posted.
- 10.3 Any **default notice** sent to **you** in accordance with clause 10.2 shall specify whether:
- 10.3.1 **we** consider, in our absolute discretion, such **event of default** is incapable of remedy; or
- 10.3.2 **you** are required to remedy such **event of default** within the period specified in such **default notice**; or
- 10.3.3 **we**, in **our** absolute discretion, waive such **event of default**;
- 10.4 Where **you** do not remedy an **event of default** within the period specified in a **default notice** or where **we**, in **our** absolute discretion, deem an **event of default** to be irremediable and have so notified you under clause 10.3.1, **we** shall be entitled to exercise **our** rights of termination in accordance with clause 5 (Termination) and, in particular, but without limitation clause 5.1.3.

11. Revaluations

- 11.1 **We** may, at any time and at **our** discretion, procure that a **valuation** is carried out by an independent surveyor in the form of either an update on the **initial valuation** or a new **valuation**.
- 11.2 In relation to any **valuation** received by **us** pursuant to clause 11.1:
- 11.2.1 if the relevant **finance to value** exceeds the **maximum finance to value**, **you** shall be liable for the cost of that **valuation**; or
- 11.2.2 if the relevant **finance to value** is less than the **maximum finance to value**, **we** shall be liable for the cost of that **valuation**.

12. Miscellaneous

- 12.1 Both **our** and **your** obligations shall continue after **final completion** insofar as they remain to be performed and observed.
- 12.2 No term of this **deed** is enforceable by a person who is not a party to this **deed**.
- 12.3 Any notice to be served on **us** under this **deed** must be served on **us** in writing at **our** registered office or if **we** move to a new address, the new address. **We** shall notify **you** of any new address that **we** move to.
- 12.4 Any notice to be served on **you** under this **deed** must be in writing and shall be deemed sufficiently served, if it is sent by first class post to the **property** and/or to **your registered address**, and shall be deemed to be received two **working days** after posting.
- 12.5 **You** shall not assign the benefit of this **deed** or any rights under this **deed** or agree to do so.
- 12.6 Unless otherwise pursuant to a securitisation, reorganisation or amalgamation of all or part of **our** home purchase plan portfolio, **our** right to dispose of **our** interests in the **property** and **our** rights under the **standard security** and to receive the sums due under this **deed** shall be subject to **your** right to buy **our beneficial share** under this **deed**.
- 12.7 **You** shall on an indemnity basis pay to **us** on demand all Land and Buildings Transaction Tax, Registers of Scotland fees or other fees, costs, losses, damages and expenses incurred by **us** in connection with **your** purchase of the **property** and the sale of **our beneficial share** pursuant to this **deed**, the granting of exclusive possession of the **property** by **us** under the **co-beneficiaries agreement**, the charging of the **property** under the **standard security**, the carrying out by **you** of activities on **our** behalf under the **service agency agreement** and any enforcement of this **deed**, the **co-beneficiaries agreement**, the **service agency agreement** and/or the **standard security**.

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- 12.8 If the discharge of the **standard security** is completed at a time when an insurance claim is outstanding in respect of damage to the **property**, **we** agree to account to **you** for all insurance monies received by **us** as a result of that claim (after deducting any sums payable (but unpaid) by **you** to **us** under this **deed**, the **offer letter**, the **co-beneficiaries agreement**, the **service agency agreement** and the **standard security**) and not expended in reinstatement of the damage.
- 12.9 All sums to be paid by **you** to **us** under this **deed** shall be paid without any withholding, deduction or set-off of whatsoever nature, save as may be required by any applicable law to which **you** are subject.
- 12.10 **You** acknowledge and agree that:
- 12.10.1 **your** sole right to occupy or enjoy the benefit of rents from the **property** arises under the **co-beneficiaries agreement**; and
- 12.10.2 this **deed** gives **you** no independent right to occupy or enjoy the benefit of the rents from the **property**.

13. Governing law and jurisdiction

- 13.1 **You** and **we** agree that **you** and **we** have reviewed this **deed**, the **offer letter** and each other **HPP agreement** for the purposes of their compliance with **Sharia** and have, to the extent that **you** or **we** consider necessary taken independent advice from advisers specialising in matters of **Sharia** and confirm that **you** and **we** are satisfied that the provisions of this **deed**, the **offer letter** and each other **HPP agreement** do not contravene **Sharia** and neither of **you** or **us** have any objection, nor will **you** or **we** raise any objections as to matters of **Sharia** compliance in respect of or otherwise in relation to the provisions of this **deed**, the **offer letter** and each other **HPP agreement**.
- 13.2 **You** and **we** recognise and agree that the principle of the payment of interest is not permitted under **Sharia**, and accordingly to the extent that any legal system would (but for the provisions of this clause) impose (whether by contract or by statute) any obligation to pay interest, **you** and **we** hereby irrevocably and unconditionally expressly waive and reject any entitlement to recover interest from each other.
- 13.3 This **deed**, the **offer letter**, each other **HPP agreement** and all non-contractual obligations arising out of or in connection with any of them are governed by and shall be construed in accordance with Scots law.
- 13.4 The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this **deed**, the **offer letter** or each other **HPP agreement** (including a dispute regarding the existence, validity or termination of any of them) (a **dispute**). **We** and **you** agree that the courts of Scotland are the most appropriate and convenient courts to settle **disputes** and accordingly neither of **you** or **us** will argue to the contrary.

Schedule to the DMA terms

Part 1: Payment profile

1. The **acquisition cost** shall be payable by **you** as follows:
 - (a) the **monthly acquisition payments**, which shall be paid in cleared funds on each **payment date**;
 - (b) the **final acquisition payment** shall be paid on the **final completion date**; and
 - (c) **you** are free to make any **additional acquisition payments** in accordance with clause 1.1.
2. Before the start of each **occupancy period**, **we** shall send **you** an **adjustment notice** notifying **you** of the adjusted **monthly acquisition payments** and **occupancy payments** which shall be payable on each of the **payment dates** in that **occupancy period**. **We** shall calculate the **adjusted agreed acquisition payments** so that:
 - (a) the total of the **monthly acquisition payment** and the **occupancy payment** payable on each **payment date** in an **occupancy period** remains constant throughout that period (although the monthly **acquisition payment** shall increase and the **occupancy payment** shall reduce on each successive **payment date** during the **occupancy period**); and
 - (b) the **finance balance** is paid in full over the course of the remaining balance of the **payment term**.

Part 2: Representations and warranties

You hereby represent and warrant to **us** that:

1. **You** are not in default under any contract to which **you** are a party (including without limitation the **offer letter**, the **standard security**, the **service agency agreement** or the **co-beneficiaries agreement**).
2. No **event of default** has occurred or is likely to occur.
3. All written information that **you** have provided to **us**, including without limitation the information contained in **your** application, is complete, true, up to date and accurate or was so at the date that it was provided to **us**.
4. All written information supplied by **you** or on **your** behalf to a valuer for the purposes of a **valuation** including the **initial valuation** was (as at the date it was provided) true, complete, up to date and accurate and not misleading in any material respects and no information was omitted which, if disclosed, would have been reasonably likely to adversely affect the accuracy of the **valuation**.
5. There has been no material adverse change in **your** financial position or circumstances since the date of **your** application or the last time **you** gave this representation whichever is later.
6. **You** have obtained an insurance policy that conforms to the requirements of the **notice to insure** in accordance with the **service agency agreement** and **you** have paid the premiums due thereunder in full and on their respective **due dates**.
7. **You** are entering into this **deed**, the **offer letter** and the other **HPP agreements** after having reviewed each of them and the overall transaction to satisfy **yourself** that they are compliant with **Sharia** and, to the extent **you** have considered this necessary, **you** have taken independent advice from advisers specialising in matters of **Sharia** and:
 - a) **you** are satisfied that the provisions of this **deed**, the **offer letter** and the other **HPP agreements** do not contravene **Sharia**; and
 - b) **you** confirm that **you** do not have any objection, nor will **you** raise any objections as to matters of **Sharia** compliance in respect of or otherwise in relation to the provisions of this **deed**, the **offer letter** or the other **HPP agreements**.
8. Any representations under this **deed** included as **special conditions** in the **offer letter** are true.
9. All the matters described above are true on the date of this **deed** and on each **payment date**.

Part 3: Undertakings

1. Positive undertakings

You shall, from the date of this **deed** and so long as monies are owing under this **deed**:

- a) ensure that **your** payment obligations under this **deed** and the other **HPP agreements** rank at least equally and rateably to all **your** other unsecured payment obligations except for obligations mandatorily preferred by law applying to individuals or, as applicable, companies generally; and
- b) provide **us** with such financial and other information concerning **you** and **your** affairs as **we** may reasonably require.

2. Insurance undertakings

You shall, from the date of this **deed** and in accordance with the **service agency agreement** and so long as monies are owing under this **deed**:

- a) promptly pay all premiums and do all other things necessary to keep an insurance policy in conformity with the **notice to insure** in full force and effect;
- b) when requested by **us** produce evidence of any insurance premium paid;
- c) procure that **we** receive any information in connection with the insurance and copies of the policy and the respective certificate;
- d) notify **us** of renewals made and material variations or cancellations of the policy made or, to **your** knowledge, threatened or pending;
- e) not do or knowingly permit anything to be done which may make void or voidable an insurance policy in connection with any part of the **property** or in respect of any other **insured risks**;
- f) immediately notify **us** of the occurrence of any **insured risk** or any other matter which ought reasonably to be notified to the insurers; and
- g) comply with all the conditions of the insurance policy and all the requirements of the insurers.

3. Negative undertakings

You shall not, from the date of this **deed** and so long as monies are owing under this **deed**:

- a) permit any encumbrance whatsoever to exist over the **property** (with the exception of any security over the **property** granted in favour of **us** by virtue of the **standard security**) or any of **your** other assets over which **you** have agreed to grant **us** security;
- b) grant credit or give any guarantee to or for the benefit of any person, without **our** prior written consent.

4. Financial undertakings

You shall, from the date of this **deed** and so long as monies are owing under this **deed**, ensure that the **finance to value** does not exceed the maximum **finance to value**.

5. Special conditions

Any undertakings or obligations under this **deed** included as **special conditions** in the **offer letter** shall be treated as set out here and included as undertakings or obligations under this **deed**.



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Banking you can believe in

Section 4: Co-beneficiaries Agreement Terms (CBA terms)

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1. Occupancy and other payments

- 1.1 Subject to any variation under clause 2 (Variation of the occupancy payment), during the **payment term, occupancy payments** are payable as follows:
- a) the **occupancy payment** accruing from the date of this **deed** to the next to occur **payment date** shall be payable on that **payment date**. **We** will notify **you** of the amount payable no later than the **effective date**;
 - b) the **occupancy payment** accruing during the **first occupancy period** shall be payable as part of the **monthly payments** on the relevant **payment dates** and as notified to **you** in the initial payments schedule in the **offer letter**;
 - c) thereafter, the **occupancy payment** accruing during each **occupancy period** is payable in monthly instalments on the relevant **payment date** as part of the **monthly payment** specified in the **HPP schedule** as modified by any adjustment notice; and
 - d) the **occupancy payment** and other sums due under this **deed** shall be paid by **you** to such bank account in the United Kingdom as **we** may from time to time require, and **you** will provide and maintain a direct debit mandate in **our** favour entitling **us** to debit the **occupancy payments** and other sums due under this **deed** and other **HPP agreements** from **your** bank account.
- 1.2 If **you** fail to pay **us** any sum on its due date for payment under this **deed**, **you** hereby agree that **you** will pay to **us** on demand any and all of **our** actual costs and expenses (including legal fees of any collection agents) incurred in connection with recovering any unpaid amount (including without limitation any **occupancy payment**) due to **us** under this **deed**.
- 1.3 In addition to any amounts payable to us under clause 1.2 above, if **you** fail to pay to **us** any sum (including without limitation, the **occupancy payments** payable under this **deed**) on its due date for payment, or in the case of a sum payable on demand, on the due date of demand, **you** agree to pay to **us** a **delay payment** on this relevant amount (save as otherwise expressly provided in this **deed**). Any amount received by **us** pursuant to this clause 1.3 in excess of **our** actual losses caused by such delay (but excluding any opportunity costs of reinvesting such unpaid amounts) shall be donated by **us** to charity in accordance with guidance received from the **Sharia Supervisory Committee**.
- 1.4 **You** agree to pay the charges shown in the **tariff list**. **We** may vary the charges so as to reflect reasonable changes in the cost of administration associated with this **deed**, any other **HPP agreement** or associated with the **property** or the cost of services provided by **us** or by **our** solicitors acting for **us** in connection with any of the matters referred to in the **tariff list**.

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- 1.5 In a case where **you** hold the **property** as tenant under a long lease, **you** agree that **you** will make prompt payment to the **landlord** of any sums due and payable to the **landlord** in accordance with and in satisfaction of **your** obligations under the long lease, including (but not limited to) any sums due in respect of rent, insurance and **lease charges** and any payments in respect of any late payment.
- 1.6 **You** will also pay to **us** or as directed by **us** within fourteen (14) days of written demand the following sums:
- a) any costs reasonably incurred by **us** as a result of any application for consent or approval under this **deed**, or any other request from **you** relating to this **deed**;
 - b) by way of indemnity, all fees, damages, costs, losses and expenses incurred by **us** as a result of any breach by **you** of **your** obligations in this **deed**; and
 - c) any supplemental **occupancy payments** due to **us** by **you** which **we** will calculate to be equivalent to any **service charge amount you charge us** under the **service agency agreement**.
- 1.7 If any letter, notice or other communication addressed to **us** is sent or delivered to the **property**, **you** agree that **you** will immediately forward the letter, notice or other communication to **us** by first class post addressed to **our** registered office or if **we** move to a new address to the new address. **We** will notify **you** of any new address to which **we** move.
- 1.8 All sums due to **us** under this **deed** shall be:
- a) paid by **you** without any withholding, set-off or deduction of whatsoever nature other than may be required by law;
 - b) applied, when received, in the following order:
 - i) firstly, in meeting any charges which have become payable (which for the avoidance of doubt includes (without limitation) legal costs and expenses incurred as a result of **us** enforcing this **deed**) under the **tariff list** but which **you** have failed to pay;
 - ii) secondly, in paying any sums due but unpaid under clauses 1.1 to 1.6 inclusive and/or under the standard security (including clause 5 of the security terms);
 - iii) thirdly, in paying any **occupancy payments**;
 - iv) fourthly, in paying any **acquisition payments** which are due but unpaid under the **diminishing musharakah agreement**; and
 - v) fifthly, in reducing the finance balance, the final **acquisition payment** or any other final **acquisition costs** (as the case may be) due under the **diminishing musharakah agreement**.

2. Variation of the occupancy payment

- 2.1 Before the start of each **occupancy period**, we will send you an **adjustment notice** notifying you of the **occupancy payments** and **monthly acquisition payments** which will be payable on each of the **payment dates** in that **occupancy period**. **The occupancy payments** payable shall be calculated on a monthly basis on the **occupancy payment review date** and on the assumption that all **monthly payments** are paid on time by applying the following formula:

$$\frac{\text{occupancy payment rate} \times \text{finance balance}}{12}$$

- 2.2 The **occupancy payments** payable shall be paid in the amounts and on the **payment dates** specified in the relevant **adjustment notice** (plus any supplemental **occupancy payments** we may charge).
- 2.3 We shall be entitled at any time, at our absolute discretion, to vary, by increasing or decreasing, the **margin** applicable to the calculation of the **occupancy payments**, save that we shall not be entitled to increase the **margin** at any time to an amount in excess of the **margin cap**.

3. Continuing occupancy payment provision

- 3.1 You acknowledge and agree that:
- a) your obligations to pay **occupancy payments** under this **deed** shall be absolute, unconditional and irrevocable and our rights to such **occupancy payments** shall be absolute, unconditional and irrevocable;
 - b) your obligations under this **deed** shall not be affected nor shall our right under this **deed** to receive the **occupancy payments** be affected by reason of:
 - i) any default by us under this **deed** or under any other **HPP agreement**;
 - ii) any action of any government or other competent authority; or
 - iii) any other cause whatsoever whether similar or dissimilar to the foregoing.

4. Total loss and termination

- 4.1 If the **property** suffers a total loss, then:
- a) you shall promptly notify us of such event on the day that it occurs;
 - b) your obligation to pay **occupancy payments** in respect of the **property** shall terminate forthwith from the **date** upon which such **total loss** occurs; and
 - c) we shall be entitled to exercise our rights of termination under clause 5 of the **DMA terms** and/or this **deed**.

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- 4.2 If either **you** or **we** exercises **your** or **our** respective rights under the **diminishing musharakah agreement** to nominate a **final completion date**, then this **deed** shall terminate on the actual **final completion**, without prejudice to **our** rights in connection with any antecedent breach by **you** of the terms of this **deed**.

5. Insurance

- 5.1 Except to the extent that the **property** is insured by the **landlord** (if the property is held under long lease), **you** are obliged to insure the **property** against the **insured risks** in accordance with the **service agency agreement** and the **notice to insure**.
- 5.2 If the **property** is damaged or destroyed by an **insured risk we** will apply all insurance proceeds received by **us** in rebuilding or reinstating the **property** except in the circumstances referred to in clause 5.1.1 of the **DMA terms** in which case the insurance proceeds will be applied in accordance with clause 5.3 of the **DMA terms**.
- 5.3 **You** will allow **us** or **our** agents or representatives, and procure that they are afforded all necessary facilities, to inspect or survey the **property** at any reasonable time. **We** will notify **you** of **our** visit to the **property** in writing at least two (2) days before the date of the scheduled visit.

6. Long lease title

You undertake to **us** to observe and perform and comply with the lessee's obligations in any long lease under which **you** hold the **property** but only to the extent that those obligations are not already required to be complied with under the provisions of this **deed**.

7. Service

- 7.1 Any notice to be served on **us** under this **deed** must be served on **us** in writing at **our** registered office or if **we** move to a new address, to the new address. **We** will notify **you** of any new address that **we** move to.
- 7.2 Any notice to be served on **you** under this **deed** must be in writing and shall be deemed sufficiently served if it is sent by first class pre-paid post to **your registered address** of the **property** and shall be deemed to be received two (2) **working days** after posting.

8. Termination

If any of the following events occurs:

- a) the whole or any part of the **occupancy payments** payable under this **deed** is in arrears for sixty (60) days (whether legally demanded or not);
- b) **you** are in breach of, or neglect to perform, or observe, any of **your** obligations or the terms and conditions contained in this **deed**; or

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- c) without prejudice to the terms of clause 8 b) an **event of default** occurs and is continuing, **we** may terminate this **deed** at any time on or after such event occurring by giving **you** a notice in writing, and upon service of such written notice **you** shall cease to be entitled to exclusive occupation of the **property** under this **deed**, and we may resume **our** right to possession of the **property**, but without prejudice to the respective rights of either party in respect of any antecedent claim or breach of undertaking.

9. No implied rights

This **deed** does not (by implication or otherwise) confer upon **you** any rights or privileges not expressly set out in this **deed**.

10. No liability for damage

We will not be liable to **you** or to any other person for any accident, loss or damage which may be caused to **you** or any other person, or caused to the **property** or to any goods or property of **yours**, or any other person as a result of any act, neglect, default or omission of any kind whatever of **ours** or of **our** employees, agents or invitees or any other person, or as a result of any breach of any obligation in this **deed** or the **service agency agreement**, whether express or implied or as a result of any fire or leakage or overflow from any pipes, taps, mains, cisterns or other appliances in or near the **property**, or as a result of any other cause whatever, and **we** will not be liable to any person not a party to this **deed** to perform any of the undertakings in this **deed** whether express or implied insofar as such undertakings impose obligations going beyond any duty of care imposed by law.

11. Compensation

Except where any statutory provision prohibits **your** right to compensation being reduced or excluded by agreement, **you** will not be entitled to claim from **us** on quitting the **property** or any part of it or otherwise at the end of the **payment term** any compensation under statute or otherwise.

12. Undertakings

- 12.1 Throughout the **payment term**, **you** undertake to **us** to observe and perform the undertakings and obligations described in the Schedule.
- 12.2 **We** undertake to **you** that if **you** pay the **occupancy payments** and observe and perform **your** obligations and the conditions contained in this **deed**, **you** may quietly enjoy exclusive possession of the **property** during the **payment term** without any interruption by **us** or any person lawfully claiming under or in trust for **us**.

13. Third party rights

No term of this **deed** is enforceable by a person who is not a party to this **deed**.

Schedule 1: Schedule to the CBA terms

You undertake to **us** throughout the **payment term**:

1. to pay and discharge all outgoing charges for electricity and gas and metered water (if any), drainage and telecommunications facilities supplied to the **property** (including any reconnection fees and standing charges);
2. to pay all assessments, charges, impositions, outgoing charges, rates and taxes, Council Tax (or any tax introduced to replace Council Tax) and water rates (if any) assessed on the **property** or the occupation of the **property** or otherwise;
3. to keep the **property** and all its fixtures and fittings in good and substantial repair and condition and forthwith to replace all broken glass and windows of the **property**;
4. not to pull down, alter, add to or in any way interfere with the construction or arrangement of the **property** without **our** consent (not to be unreasonably withheld provided that any requisite statutory or public authority consent has been obtained);
5. to comply with all statutory or other obligations and recommendations and requirements of insurers and competent authorities relating to the **property** and promptly to forward to **us** any notices received in relation to the **property**;
6. not to use the **property** for any trade or business purposes whatsoever;
7. to use the **property** in a responsible manner and not to commit any waste;
8. to use the **property** in a peaceful and quiet manner and not to use or permit the use of the **property** for any improper, immoral or illegal purpose nor to do or suffer to be done in the **property** or any part of it any act or thing which may be a nuisance, damage or annoyance to **us** or to the owners or occupiers of any neighbouring property;
9. not to do anything at the **property** whereby the policy of insurance of the **property** for the time being in force may become void or voidable or whereby the premium for such insurance may be increased;
10. to comply in all respects with all rules and regulations from time to time in force relating to the occupation and use of the **property** and to the extent that an occupier of the **property** is required to do so to comply in all respects with the provisions of all statutes, bye-laws and other orders and regulations and the requirements of all competent authorities relating to the **property** or to the use and occupation thereof;

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11. to perform and observe and procure the performance and observance at all times during this **deed** of the tenant's obligations and the conditions and stipulations in any long lease under which the **property** is held and all restrictive and other covenants, stipulations, obligations, exceptions, reservations and other matters affecting the title to the **property** and to indemnify **us** from and against all actions, costs, claims and demands arising out of any breach, non-observance or non-performance thereof provided always that the obligations, conditions and stipulations aforesaid shall not operate to confer upon **you** any right, power or privilege which is not expressly granted by this **deed**;
 12. to enter into any documents required under the terms of any long lease under which the **property** is held and not to do any act, matter or thing which under the terms of such lease requires the approval of the **landlord** without first obtaining such approval and any approval from **us** under the terms of this **deed** in all cases at **your** expense in respect of all fees and expenses reasonably incurred relating to such approvals whether or not such approvals are granted;
 13. to take all reasonable steps at all times to prevent unauthorised entry to the **property** and to keep it secure;
 14. to occupy the **property** personally as **your** only or principal home unless **we** have provided **our** consent to **you** or others occupying the **property** on some other basis or **we** have consented to **your** letting the **property** under a **special condition** or with a **letting consent letter**;
 15. not to assign, hold on trust (other than under the **trust deed**), let, sublet, deal with or part with possession of the **property** or any part of it unless **we** have provided **our** consent to **your** letting the **property** under a **special condition** or with a **letting consent letter**;
 16. to notify **us** of any defect or want of repair in the **property**;
 17. to permit **us** or (if the **property** is held under long lease) any **landlord** or their respective agents with or without workmen and others at any time during the **payment term** (at convenient hours in the daytime on reasonable notice, except in the case of emergency when no notice shall be required) to enter the **property** for the purpose of:
 - 17.1 repairing and painting the outside of the **property** or any adjoining property or carrying out or completing any structural or other repairs necessary or required to the **property** or any adjoining **property**;
 - 17.2 examining the state and condition of the **property** and (if necessary) giving to **you** notice in writing to make good and amend within the three (3) months next following all wants of repair to the **property** then found;

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- 17.3 repairing and amending at **your** expense the wants of repair referred to in paragraph 17.2 above if **you** shall have failed to do so within the time specified; or
 - 17.4 (if applicable) exercising any rights granted under the long lease of the **property**;
 18. to permit **us** or **our** agents or those with written authority from **us** or **our** agents to view the **property** at reasonable times of the day in the event of **us** wishing to dispose of **our** interest in the **property**;
 19. at the termination of this **deed** to permit **us** to possess and occupy the **property**; and
 20. to comply with **your** obligations under the **trust deed**, the **diminishing musharakah agreement**, the **service agency agreement** and the **standard security**.



Banking you can believe in

Section 5: Service Agency Agreement Terms (SAA terms)

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1. Your obligations under the Service Agency Agreement

- 1.1 From the date of this **deed** and for so long as any monies are, or may become outstanding under any of the **HPP agreements**, **you** agree, as **our service agent** to:
- a) carry out all structural maintenance and repairs to the **property**, except (if the **property** is held under a long lease) to the extent that such obligation is the obligation of a **landlord**;
 - b) make payment or procure the payment of any charges affecting the **property**;
 - c) obtain and maintain adequate insurances to cover the **insured risks** as required in accordance with the **notice to insure**;
 - d) promptly pay all premiums and do all other things necessary to keep an insurance policy in force and in conformity with the **notice to insure**;
 - e) produce evidence of any insurance premium paid at **our** reasonable request;
 - f) procure that **we** receive any information in connection with the insurance and copies of the policy and the respective certificate;
 - g) notify **us** of renewals made and material variations or cancellations of the policy made or, to **your** knowledge, threatened or pending;
 - h) not do or knowingly permit anything to be done which may make void or voidable an insurance policy in connection with any part of the **property**;
 - i) immediately notify **us** of the occurrence of any **insured risk** or any other matter which ought reasonably to be notified to the insurers; and
 - j) comply with all the conditions of the insurance policy and all the requirements of the insurers, and in the event **you** fail to renew the insurance policy, **we** shall pay the insurance premium and deduct from **your** account the amount of the insurance premium and any administration fees and costs in accordance with the **tariff list**.
- 1.2 If **you** fail to effect any of **your** obligations under clause 1.1 and **we** have notified **you** of such failure, **we** shall be entitled but shall not be bound to carry out any or all of the **services** and **you** shall indemnify **us** for the full cost thereof and any associated expenses paid by **us**, and **you** shall pay to **us** any reasonable administration costs that **we** might charge as a result of **your** failure to comply with **your** obligations under this **deed**, including, but not limited to, any renewal insurance premiums and administration fees and costs in the event **you** fail to renew the insurance policy on the **property**.

2. Costs and expenses

- 2.1 As **our service agent, you** hereby undertake to pay or procure payment in a timely fashion of any and all costs, fees and expenses in connection with and related to, and necessary or desirable for, the performance and discharge of the **services** in respect of the **property**.
- 2.2 Subject always to clauses 2.3 to 2.5 below, and provided that no **event of default** has occurred, **we** hereby undertake and agree to pay **you** on each **service charge amount payment date**, the **service charge amount** due on such date in respect of the **property**.
- 2.3 **We** shall be entitled to set-off our obligations to pay the **service charge amount** in respect of the **property** against **our** right to receive sums from **you** (including **supplemental occupancy payments**) under clause 1.6 of the **CBA terms** (regardless of whether such sums are actually received in whole or in part).
- 2.4 For the avoidance of doubt, **we** shall not be obliged to make any cash payments to **you** under this **deed** where, under clause 2.2 above, **we** set off our obligation to pay the **service charge amount** against **our** right to receive sums from **you**.
- 2.5 **Our** obligation to pay the **service charge amount** shall terminate automatically in full at the same time as the **co-beneficiaries agreement** terminates for any reason whatsoever.

3. Undertakings

You undertake to **us**, from the date of this **deed** until all **your** liabilities and obligations under this **deed** and under the other **HPP agreements** have been discharged:

- 3.1 to provide **us** promptly with such information regarding the condition of the **property** as **we** may from time to time reasonably require;
- 3.2 to permit **us** or **our** agents or representatives, and procure that they are afforded all necessary facilities, to inspect or survey the **property** at any reasonable time, provided that such inspections are carried out in accordance with the **co-beneficiaries agreement**;
- 3.3 not to attempt or hold **yourself** out as having any power to sell, charge, lease or otherwise encumber or dispose of the **property**, nor create, incur or suffer to exist any encumbrance (other than the **standard security**) over the **property**; and
- 3.4 not to do or permit to be done any act or thing which might jeopardise **our beneficial interest** in or the **standard security** over the **property** and/or omit or permit to be omitted to be done any act which might prevent that **beneficial interest** or the **standard security** from being jeopardised.

4. Termination events

- 4.1 **We** may, by sending a notice to you, immediately terminate this **deed** following the occurrence of any of the following events and/or circumstances:
- a) the insurances are not obtained and maintained in full force and effect in accordance with the **notice to insure**; or
 - b) breach by **you** of any of **your** obligations under this **deed**; or
 - c) the occurrence of an **event of default** (and provided at the relevant time the **event of default** is continuing); or
 - d) the termination by **us** of any of the other **HPP agreements**.
- 4.2 **Our** rights and remedies provided in this **deed** are cumulative and are not exclusive of any rights and remedies provided by law.

5. Indemnity

- 5.1 **You** shall indemnify **us** and hold **us** harmless on a full indemnity basis against any and all obligations, fees, liabilities, claims, losses, costs, damages, penalties, demands, actions, proceedings, judgments and expenses, including without limitation all reasonable legal fees and expenses (including, without limitation, such legal fees and expenses incurred in connection with the enforcement of this **deed**), of every kind and nature whatsoever imposed on, incurred by, or asserted against **us** arising out of any failure whatsoever on **your** part in performing any of **your** obligations under this **deed** including without limitation any failure in procuring and/or maintaining the insurances in accordance with **our notice to insure**.
- 5.2 The provisions of clause 5.1 above shall apply from the date of execution and delivery of this **deed** and clause 5.1 shall survive the expiration or earlier termination of this **deed** or any **HPP agreement** and all documents and contracts entered into in relation to this **deed** or otherwise in relation to the **property**.

6. Miscellaneous

6.1 Third party rights

A person who is not a party to this **deed** shall have no right to enforce or to enjoy the benefit of any of the terms of this **deed**.

6.2 Assignment

You are not entitled to assign **your** obligations under this **deed** without **our** prior written consent.



Section 6: Security Terms

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1. Obligation to pay

- 1.1 If **you** fail to pay **us** any sum forming part of the **secured obligations** or otherwise due under this **deed** on the due date for payment, **you** will pay to **us** with respect to each period during which such sum is due but remains unpaid a **delay payment**. Any amounts received by **us** pursuant to this clause 1.1 in excess of **our** actual losses caused by such delay (but excluding any opportunity costs of reinvesting such unpaid amounts) shall be donated by **us** to charity in accordance with the guidance received from the **Sharia supervisory committee**.
- 1.2 All sums that **we** pay or may have to pay in order to protect **our** interests in the **property** shall be reimbursed to **us** by **you**.
- 1.3 **You** agree that **we** can collect all amounts payable by **you** to **us** by way of direct debit from **your** account paid by **you** upon **us** giving **you** reasonable notice that such payment is due.

2. Notices and indemnities

- 2.1 Any notice, demand or certificate in relation to any sum due or incurred to **us** from or by **you** shall (except in the case of obvious error) be conclusive evidence against and binding on **you** if signed by one of **our** officers.
- 2.2 **We** and any attorney, agent or other person appointed by **us** under this **deed** and **our** officers and employees shall be entitled to be indemnified out of the **property** in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort, delict, or otherwise and whether arising at common law or by statute, which may be incurred by, or made against, any of them (or by or against any manager, agent, officer or employee in whose liability, act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of anything done or omitted in the exercise or purported exercise of the powers contained in this **deed** and/or any breach by **you** of any of **your** obligations under this **deed**.
- 2.3 **You** shall indemnify **us** against such matters and pay **us** all monies and discharge all obligations and all other indebtedness and/or liabilities which are now or may in the future at any time or from time to time be due, owing or incurred to **us** under this **deed** when the same become due for payment or discharge whether such moneys, obligations or liabilities are express or implied, present, future or contingent.

3. The standard security and what it secures

- 3.1 Payment and discharge by **you** of the **secured obligations** are secured by this **deed**.
- 3.2 In addition to the security created under this **deed** and as continuing security for the payment and discharge of the **secured obligations**, **you** undertake to grant on demand to **us** a charge or security in such form as **we** may reasonably require over:
 - 3.2.1 all of **your** rights in any policies of insurance relating to the **property** including the proceeds of any claims under such policies and all rent arising from any letting of the **property**;

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- 3.2.2 the benefit of all contracts, guarantees, appointments, warranties and other documents to which **you** are a party or which are in **your** favour or of which **you** have the benefit relating to any letting, development, sale, purchase or the operation of or otherwise relating to the **property**, including in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for **your** benefit under or arising from any of them, all remedies provided for in any of them and all other rights, interests and benefits whatsoever accruing to or for **your** benefit arising from any of them;
- 3.2.3 all authorisations (statutory or otherwise) held or required in connection with the use of the **property** and all rights in connection with them; and
- 3.2.4 any other interest of **yours** in the **property** including any shares in any management company which are or may be registered in **your** name.
- 3.3 **We** are hereby irrevocably authorised as agent for **you** at any time after this **deed** shall have become enforceable to use, remove, store, sell or otherwise deal with any moveable plant, machinery, implements, utensils, fittings, furniture, equipment and other personal property (but without thereby becoming a heritable creditor in possession of the **property**), and **we** shall not be liable for any loss or damage occasioned to **you**. **You** shall indemnify **us** and keep **us** indemnified against all expenses suffered or incurred in relation to any such items.

We shall pay to **you** the proceeds of sale (net of any sums **you** owe **us** under any **HPP agreements**) arising from any sale of such items under the provisions of this clause 3.3.

- 3.4 This **deed** shall be in addition to and shall not either prejudice or be prejudiced by:
- 3.4.1 any other security, guarantee, remedy or lien, now or at any time this **deed** is in force, held by or available to **us**;
- 3.4.2 any invalidity of any such other security;
- 3.4.3 at any time and from time to time **our** releasing, discharging, varying or not enforcing any such other security; or
- 3.4.4 at any time and from time to time **our** giving time for payment to, or reaching any agreement with, or failing to enforce any rights **we** have against, any other person other than **you** who is liable to **us** in respect of the money owed by **you** to **us** or otherwise in respect of any **secured obligations**.
- 3.5 If:
- 3.5.1 **we** receive a payment from **you** or for **your** benefit;
- 3.5.2 the payment is not made under an existing arrangement which makes it clear how the payment is to be used; and
- 3.5.3 **you** do not tell **us** what to do with the payment,
- we** will use the payment to pay off any sums which are in arrears at the time when **we** receive the payment, and then credit it to whichever part of the sums **we** choose.

4. Your obligations

- 4.1 **You** will observe and perform all the undertakings and obligations entered into by **you** in the **HPP agreements** and all obligations and/or restrictions of whatever kind affecting the **property** or any part or parts thereof.
- 4.2 **You** undertake to **us**:
- 4.2.1 not to create or attempt to create or allow to be created or to exist any security or other encumbrance in favour of any other party affecting the **HPP agreements** or the **property** without **our** prior written consent;
- 4.2.2 not to sell, transfer, lease or otherwise dispose of the **property** or any part thereof without **our** prior written consent;
- 4.2.3 not, without **our** prior written consent, to, or agree to, grant or accept the surrender or renunciation of any lease or tenancy of all or part of the **property**;
- 4.2.4 not, without **our** prior written consent, to, or agree to, extend, renew or vary any lease or tenancy in favour of any third party of all or part of the **property**;
- 4.2.5 not to do, or allow to be done, nor omit to do, anything on the **property** which may prejudicially affect any insurance policy in respect of the **property**;
- 4.2.6 not to deal with any claim for compensation, arising in any fashion in respect of all or part of the **property** other than in accordance with the requirements of the **HPP agreements**, and if required by **us** to pay to **us** in reduction of the money owed to **us** by **you** all or part of such compensation;
- 4.2.7 if any works of construction or refurbishment are at any time carried out upon the **property**, at **our** request to assign to **us** as further security for the money owed to **us** by **you**, and in such form as **we** shall require:
- (a) the benefit of all **your** rights and claims with regard to such work against the building contractor and any other person carrying out services for **you** in connection with such works, and their respective subcontractors and suppliers; and
- (b) any rights, licences, warranties, guarantees or maintenance agreements in connection with such works of which **you** have the benefit;
- 4.2.8 without **our** prior written consent, not to do or allow to be done or omit to do on the **property** anything which might lead either to **you** or **us** incurring any liabilities or committing any offence under the Environmental Protection Act 1990 (or any other existing or future legislation of a similar nature) or incur any other liability as a result of the pollution of the **property** or to the **property** being entered upon any registers of land which may have been put to a contaminative use under the Environmental Protection Act 1990 (or any other existing or future legislation of a similar nature) and further to send copies to **us** of any notice received in connection with environmental matters relating to the **property**;
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- 4.2.9 if the **property** has the benefit of any rights under any agreement with National House Builders Council or other similar body or under any arrangement giving similar rights not to deal with any claim under such agreement other than in accordance with **our** requirements, and if required by **us** either to pay to **us** in reduction of the money owed to **us** by **you** the proceeds of such claim or to use such proceeds in reinstatement of the **property**.

5. Dealing with your account

If **we** receive notice of any subsequent security or other encumbrance affecting the **property**, **we** may close any accounts **you** have in **our** books and open a new account or accounts in their place. If **we** do not do so, **we** shall nevertheless be treated as if **we** had done so at the time when **we** received notice. From that time onwards, all payments made by **you** to **us** will be credited or treated as credited to the new account or accounts and shall not operate to reduce the amount due from **you** to **us** when **we** received the notice.

6. Further assurance

You will, at **your** own cost and whenever required to do so by **us**, execute and deliver such other instruments and documents and take such other action as may be required to perfect **our** security under this **deed**, preserve the **property** or to enable **us** either to enforce this **deed** or to exercise any of the powers and rights given by this **deed** or by law to **us** including (without limitation) the sale of the **property** or any part thereof.

7. Protecting our rights

- 7.1 **Our** rights under this **deed** will not be lost or limited:
- 7.1.1 by any earlier exercise of them;
 - 7.1.2 by any failure to exercise them;
 - 7.1.3 by any delay in exercising them; or
 - 7.1.4 by exercising them in part only.
- 7.2 **Our** rights and remedies under this **deed** are in addition to those **we** have according to Scots law.

8. Enforcement

- 8.1 **You** must immediately pay **us** all sums secured by this **deed** and, in addition to the circumstances specified in the **1970 Act**, **you** will be in default in terms of **standard condition** 9(1)(b) and this **deed** shall become immediately enforceable, if any of the following events happen:
- 8.1.1 an **event of default** occurs;
 - 8.1.2 where applicable **you** (or any of **you**) are sequestrated or a bankruptcy order is made against **you** (or any of **you**) or any step is taken by any person to put **you** (or any of **you**) into sequestration, bankruptcy, administration or liquidation;

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- 8.1.3 **you** (or any of **you**) make a voluntary arrangement with **your** creditors;
 - 8.1.4 the property is compulsorily purchased;
 - 8.1.5 **you** give up possession of the **property** to **us**;
 - 8.1.6 **we** reasonably believe that **you** have abandoned the **property** (in which case, **we** may recover possession of it without obtaining a court order); or
 - 8.1.7 a decree or order is made against **you** (or any of **you**) in relation to the **property** which would lead to **you** having to give up possession of the **property** if **you** do not satisfy the terms of the decree or order.
 - 8.2 If **we** become entitled to enforce this **deed**, **we** may:
 - 8.2.1 take physical possession of the **property** or give notice to any tenants to pay their rent to **us**;
 - 8.2.2 exercise the power of sale or other powers given to heritable creditors by the **1970 Act** (as extended or varied by this **deed**). In exercising the power of sale, **we** may agree whatever terms and conditions of sale **we** think fit in order to obtain the best price for the property that **we** reasonably can;
 - 8.2.3 let the **property** on any reasonable terms (but, subject to the provisions of the **1970 Act**, without any other restrictions on the nature, terms and length of the lease, or on the rent due);
 - 8.2.4 allow anyone who holds a lease of the **property** to surrender or renounce the lease on any reasonable terms;
 - 8.2.5 agree to any reasonable variation, extension or renewal of any lease under which the **property** is let;
 - 8.2.6 act as manager of the **property**;
 - 8.2.7 complete any unfinished buildings on the **property**;
 - 8.2.8 if the **property** or any part of it is held under a long lease, agree any variation, extension or renewal of the lease and/or take a new lease of all or part of the **property**;
 - 8.2.9 take possession of, collect and get in all or any part of the **property** and all rents and other income of the **property**;
 - 8.2.10 apply for and obtain any permissions, approvals, consents or licences as **we** may in **our** absolute discretion think fit;
 - 8.2.11 make any arrangement or reach any agreement with regard to any claim which **we** may think fit;
 - 8.2.12 bring or defend any proceedings in **your** name in relation to the **property** as **we** shall think fit;

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- 8.2.13 appoint, employ or dismiss professional advisers, managers, officers, contractors and agents for any of the purposes set out in this clause 8.2 including but not limited to the management of the **property** on such terms as **we** may think fit;
 - 8.2.14 do all such other acts and things as **we** may consider to be incidental to or necessary for any of the powers contained in this **deed** or otherwise to preserve, improve or sell the **property**.

9. Power of attorney

- 9.1 **You** appoint **us** to be **your** attorney by way of security and to do the following things in your name on your behalf:
 - 9.1.1 to execute any document which is needed to make good any defect in **our** title to the **property** or in the security created or purported to be created by this **deed**;
 - 9.1.2 to execute any document which is needed to pass a good title to a purchaser or lessee of the **property**;
 - 9.1.3 to transfer to a purchaser any shares or other membership rights which **you** hold in a management company by virtue of owning the **property**;
 - 9.1.4 to receive any money payable to **you** in connection with the **property** or any insurance of it and to do anything which **we** need to do to exercise **our** rights under this **deed**;
 - 9.1.5 to exercise all or any of the powers, authorities and discretions conferred on **us** by this **deed**;
 - 9.1.6 to do anything which **we** shall think fit for carrying out any sale, lease or any other dealing by **us** with all or any part of the **property**; and
 - 9.1.7 to execute such documents and instruments and take such action as are specified in clause 6.
- 9.2 The appointment in clause 9.1 is irrevocable.
- 9.3 If **we** ask **you** to, **you** will confirm anything done by **us** while acting under the power of attorney in clause 9.1.

10. Protection of purchasers

No purchaser or other person dealing with **us** or any person appointed by **us** shall be bound to see or enquire whether the right of **us** to exercise any of the powers conferred by this **deed** has arisen or become exercisable or be concerned with notice to the contrary, or with the proper exercise or purported exercise of such powers, or be concerned to see whether any such delegation by **us** shall have lapsed or shall have been revoked for any reason.

11. Prior security

If there is any security which ranks in priority to this **deed** over all or any part of the **property**, and the person with the benefit of such security does anything to enforce that security against the **property**, **we** may repay the money owed under that security, or arrange for such security to be transferred to **us**, and the costs of so doing shall be an expense borne by **you** in accordance with clause 1.2.

12. Transfer by the Bank

We may assign or transfer to any other person the benefit of this **deed** (either legally or beneficially) together with all or any of **our** rights in respect of the money owed and the person to whom the benefit of this **deed** or the money owed is assigned or transferred may enforce this **deed** in the same way as if it had been party to this **deed** instead of **us**.

13. Disclosure of information

13.1 **You** irrevocably authorise **us** to pass on to:

13.1.1 any person to whom **we** have delegated any of **our** functions under this **deed**; or

13.1.2 any person to whom **we** have assigned or transferred or intend to assign or transfer any interest under this **deed** and the advisers of such person, such information in relation to **you**, the money owed or the **property** as **we** shall think fit.

14. Notices

14.1 **We** may give **you** notice under this **deed**:

14.1.1 by posting or delivering it to **you** at **your registered address**; or

14.1.2 by sending it by electronic mail to **your** electronic mail address (if any, of which **you** have notified **us**).

14.2 Notices given by the methods described in clause 14.1 will be treated as given on the following dates:

Method	Date
First class post	The first working day after the date of posting.
Second class post	The second working day after the date of posting.
Electronic mail	The date of actual transmission provided that we do not receive any indication that the electronic mail message has not been successfully transmitted to your electronic mail address.

14.3 **You** may give notice to **us** by posting or delivering it to **our** Secretary at **our** registered office. If **you** post a notice to **us**, it will only be treated as given when it is actually received by **us**.

15. Merger/construction

This **deed** shall remain binding on **you** notwithstanding any change in **our** constitution or **our** amalgamation with, or the acquisition of all or part of **our** undertaking by, any other person or any reconstruction or reorganisation of any kind. The security granted shall remain valid and effective in all respects in favour of any assignee, transferee or other successor in title to **us**.

16. Miscellaneous

Each provision of this **deed** is severable and distinct from the others and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions of this **deed** shall not in any way be affected thereby.

17. Set-off

If this **deed** shall become enforceable in accordance with its terms **we** may use any money which **you** have deposited in any account (current, savings or other account) with **us** to pay all or any part of the **secured obligations** which, to the extent not then payable, shall automatically become payable to the extent necessary to effect such set-off.

18. Standard conditions

In the event of any conflict arising between the provisions of this **deed** and the standard conditions, the provisions of this **deed** shall (so far as permitted by the 1970 Act) prevail.

19. Governing law and jurisdiction

This **deed** shall be governed and construed in accordance with the laws of Scotland and the parties hereto irrevocably submit to the non-exclusive jurisdiction of the Scottish courts.



AL RAYAN BANK

Want to know more about any of our products or services?

Call us on:

0800 4083 093*

Monday to Friday, 9am to 7pm.

Saturday, 9am to 1pm.

*Calls may be recorded for training and security purposes.

Visit: alrayanbank.co.uk

Write to: **Al Rayan Bank, PO Box 12461, Birmingham, B16 6AQ**

Or visit any of our branches.

If we don't get it right

Al Rayan Bank PLC will endeavour to ensure that you receive the highest standard of service and that you are treated with courtesy at all times. If you are unhappy with any aspect of our service, we would like to know why.

For a copy of our Customer Care leaflet dealing with our complaint handling procedures, please call our Customer Care team on 0800 4086 407.

General Data Protection Regulation (GDPR)

Under the prevailing data protection legislation you have the right of access to your records.

Should you wish to access this right please write to:

Data Protection Officer,
Data Subject Access Requests,
Customer Care Team,
Al Rayan Bank PLC,
24a Calthorpe Road,
Edgbaston,
Birmingham,
B15 1RP

Membership of the Financial Services Compensation Scheme

Al Rayan Bank PLC is a member of the Financial Services Compensation Scheme.

This scheme may provide compensation, if we cannot meet our obligations. Most depositors including individuals and businesses are covered.

For more information about the Financial Services Compensation Scheme, visit www.alrayanbank.co.uk/fscs

YOUR HOME MAY BE AT RISK IF YOU DO NOT KEEP UP THE PAYMENTS ON YOUR HOME PURCHASE PLAN SCOTLAND

Al Rayan Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 229148. Al Rayan Bank PLC is incorporated and registered in England and Wales. Registration No. 4483430. Registered office: 44 Hans Crescent, Knightsbridge, London, SW1X 0LZ.



Banking you can **believe** in