



Business Banking Secured Loan Terms & Conditions (T&Cs)

Your agreement with us

Our T&Cs

Banking with Atom is straightforward, so we've split our T&Cs into three manageable chunks: General T&Cs; Product T&Cs; and product specific documents based on the product you open – in this instance, your secured loan documents. Please ensure you read all of these documents – and if you have any queries or concerns, ask us or seek legal advice before signing your loan agreement – so you understand the terms of our contract with you.



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These T&Cs detail the agreement between you and Atom ('we'/'us') when you take out a Business Banking Secured Loan ('loan') with us.

The individual terms of these T&Cs operate separately, so if any court or competent authority decides that any of them are unlawful or unenforceable, the other terms will remain in full force and effect.

Who are you?

All references to 'you' or 'the borrower' refer to each person or entity named as a borrower in the loan agreement – including your personal representatives – and all of you together if there's more than one of you.

If there's more than one of you, each of you must be able to service the loan independently and will be responsible for the full amount owed. Each of you will also be bound by the decisions of the other. If any of you die, the remaining borrower will be liable for the outstanding loan amount. If at any point you're looking to apply for additional borrowing or for the transfer of ownership, rights or interest in any secured asset, you'll all need to authorise the application.

At any time, we may make any arrangement relating to

all or part of your loan with someone who isn't party to this contract. This won't affect your obligations under the contract or your liability for the loan.

Some parts of these T&Cs apply to property and assets which are charged to us as security and they contain a section which details our rights if something goes wrong. In those parts of the T&Cs references to 'you' means anyone who has granted security to us. This could be a guarantor or other third party and is not just limited to someone who is named as a borrower in a loan agreement.

Our contract

Whether the security is over real property (the 'charged property') and/or a specific possession (the 'charged chattel') and/or an agreement (the 'assigned agreement'), your contract with us is made up of the following:

- Our T&Cs and our Price List;
- The information provided in the application for your loan;
- Your loan agreement;
- The documents you sign to provide security for the loan (the 'security documents'), with the assets referred to in these documents being referred to as the 'secured assets' in these T&Cs;
- Any guarantees granted by any person or entity in relation to your loan; and
- Any other documents we expressly state form part of the contract.

The terms of your loan agreement or a security document will take priority if they're different to these T&Cs.

Your contract with us starts as soon as you've signed the

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loan agreement. The loan will then be made available to you upon satisfaction of any pre-loan conditions (including signing the security documents). The date on which we first transfer all or part of the loan will be the 'Completion Date'. If the pre-loan conditions include a valuation, it'll be valid for three months from the date it's completed. If the completion date doesn't occur within this three-month period, a further valuation may be required and you'll have to pay for it. We may also change your loan agreement as a result of this re-valuation.

Any change to your loan agreement or security documents will only be effective if it's in writing and signed by both you and us.

For the purposes of the Law of Property (Miscellaneous Provisions) Act 1989, the contract includes the loan agreement, the security documents and any side letters relating to the loan.

Any reference in the contract to a 'charged property' includes:

- All buildings, fixtures and fittings that form part of the charged property at that time;
- The proceeds of the sale of any part of the charged property, and any payments made in connection with the charged property;
- The benefit of any covenants for title given or entered into in respect of the charged property, and any payments made relating to those covenants; and
- All rights under any licence or agreement for sale or lease relating to the charged property.

Changes to these T&Cs

If we need to make any changes to these T&Cs, we'll explain the changes 30 days before they happen, except where they're to your advantage (when we'll make them straight away). This allows you to consider the changes and in most cases you'll be able to close an impacted account if you're not happy.

We'll only make changes to these T&Cs to:

- Reflect developments in our proposition (including our products / services);

- Respond proportionately to changes in general law or decisions of the Financial Ombudsman Service;
- Meet regulatory requirements;
- Reflect new industry guidance or codes of practice which raise standards of borrower protection;
- Proportionately reflect other legitimate cost increases or reductions associated with providing the particular product or service you use.

Need these in another format?

Corresponding with you in a digital format goes a long way towards achieving full accessibility, but if you do need these T&Cs supplied in another format, or if we can help you to use our service in any other way, simply call us on 0333 399 0065 or email business@atombank.co.uk.

YOUR LOAN

Transferring the loan to you

Your loan may be transferred in one payment on the completion date, or in multiple payments over a period of time (each payment being a 'drawdown'). This will be confirmed in your loan agreement.

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To receive a drawdown, you'll need to send us a secure email by 11am two business days before the proposed drawdown date, confirming:

- Your preferred drawdown date (which must be a business day);
- The proposed drawdown amount, which needs to be more than £25,000 (or the remaining loan amount, if that's less than £25,000);
- The account you'd like us to transfer the funds into; and
- Any other information specified or requested in your loan agreement.

Once we have all the relevant information and we're satisfied with it, we'll transfer the drawdown to you and confirm that your request's been completed.

Interest

We'll charge interest on:

- The original loan amount (the 'capital');
- Any charges you've added to your loan; and
- Any payments we've made on your behalf due to your non-payment (if this is ground rent or a service charge, it may be added to the capital).

We'll charge you interest from the completion date until the date you fully pay off your loan. It'll be charged daily at the rate stated in your loan agreement (based on the number of actual days in the relevant period and a year of 365 days) and will be added to your account on the regular payment date stated in your loan agreement ('payment date').

Your interest rate

Your loan agreement tells you the type of rate that applies to your loan. If you're on a variable rate, it will be shown in your loan agreement as an underlying rate (e.g. Bank of England Base Rate, SONIA or LIBOR) plus a margin. The underlying rate and / or the margin may change from time to time, for any of the following reasons:

- If the underlying rate changes;
- If the value of the secured asset changes;
- Where it's needed to maintain our financial strength in the interests of all our customers;
- If there are significant changes in the economic environment, and increasing variable rates is necessary to address the risks to our business that arise as a result.

When a variable rate changes, it will affect your regular payments, so we'll give you at least 10 days' notice and confirm in writing the impact of the change on your payments.

You'll also be responsible for any increased costs to us arising from any new or amended laws, regulations or directives (or changes to the interpretation, administration or application of any laws, regulations or directives) affecting our business, or our compliance with them. This includes any additional costs we have to pay to perform our contractual obligations and any reduced amounts payable to us under the contract.

Your regular payments

You must make a regular Direct Debit payment to us from a UK (sterling) bank account on the agreed payment date until you've repaid the full amount you owe us. Payments will be added to your account on the day we receive them as cleared funds.

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Following drawdown, we'll send you a secure email to confirm the amounts and collection dates for your regular payments.

You can choose your regular payment date during the loan application process. If you don't specify a date, we'll automatically collect your payments on the date your loan completes. For example, if you choose to make monthly payments and your loan completes on the 16th of the month, we'll collect your payments on the 16th of each month. Similarly, if you choose to make quarterly payments and your loan completes on 16th of the month, we'll collect your payments on the 16th day of every third month.

If your payment date falls on a weekend or bank holiday in any given month, we'll collect it on the next business day after the due date.

Your first payment may be higher or lower than your usual payment, depending on the time between your completion date and your first payment date – we'll tell you this in advance.

If you need to change your bank account details, please let us know 10 business days in advance so you don't miss any payments. If you need to change your payment date, you can request this by secure email, though you can only change it once in any 6 month period. If you change your payment date, your next payment may be higher or lower than your usual payment – we'll tell you this in advance so you can decide whether or not to go ahead.

If your Direct Debit payment fails for any reason, we may charge you (see our Price List for details), though we'll only ever do this once in any month.

If you make a payment in any currency other than sterling, we may convert it into sterling, using the current selling exchange rate of National Westminster Bank plc, and deduct any reasonable fees that we incur in doing so. If this results in insufficient sterling funds to cover your payment, we'll let you know and we may charge you for failing to make your full payment (see our Price List for details).

Changes to your regular payments

Your regular payment may change for any of the following reasons:

- Your variable interest rate has changed;
- Your loan amount has changed (e.g. additional borrowing or a further drawdown where the loan is being borrowed by you in instalments);
- We've agreed a change to the loan term with you;
- We need to correct a mistake;
- We've agreed with you to change the amount or number of regular payments;
- An interest only period on your loan has come to an end.

If your regular payment changes for any reason, we'll give you at least 10 business days' notice and confirm the impact of the change on your payments.

Charges

You may have to pay some charges as part of your loan application and/or during your loan term (see our Price List). Before you pay any charge, we'll confirm in writing the amount, what it's for, when it's due, whether you can add it to your loan and whether it's refundable.

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Some charges can be added to your loan. If they can't, you must pay them before we can complete your loan.

We'll send you our current Price List with your loan agreement and every annual statement.

If we need to change our Price List to reflect increasing, decreasing or new costs, we'll tell you 30 days in advance and send you the updated list.

In line with usual practice, your account balance will always show an up to date position of the amount you owe us. In the absence of any significant error, any certificate or statement we issue confirming the amount owed under the loan will be conclusive evidence of the amount due.

Indemnity

Within five business days of our demand, you will reimburse us, on a full indemnity basis, for all costs or charges we incur relating to:

- The contract, the loan or a secured asset;
- Entering into, perfecting, preserving, releasing or enforcing any of our rights under the contract;
- Recovery proceedings for amounts due under the contract;
- Exercising (or attempting to exercise) our rights in relation to the secured assets; or
- Any delay by you in performing your obligations under the contract.

If you don't reimburse us within 5 days, you'll also be responsible for paying interest on these costs or charges. It will be applied at the same rate stated in your loan agreement, from the date we incur the costs or charges until you fully reimburse us (whether before or after judgement, administration or winding up). These costs shall be payable whether or not the loan is drawn down.

Overpayments

You can repay all or part of your loan early, unless your loan agreement says otherwise. In some cases, there'll be an early repayment charge – your loan agreement will tell you if this applies.

If you make a lump sum overpayment, we'll pay it off the amount you owe in the following order:

- Firstly, any arrears (missed payments);
- Secondly, any charges that have been added to your loan and are subject to interest;
- Thirdly, any interest which has been accrued and is payable; and
- Fourthly, to reduce the balance of your loan.

If you make a lump sum overpayment, you won't be able to get it back and your regular repayments will stay the same so it will help to reduce your loan term. If you prefer, you can ask us to recalculate your monthly payments when you make an overpayment – this will usually reduce your regular payment.

If you want to make regular overpayments, you can ask us to change your Direct Debit amount. We'll need at least 5 business days before your next payment to make this change. You can revert to your regular payment by giving us 5 business days' notice to change your Direct Debit back.

If you're overpaying on a variable rate and your usual regular payment goes up, we'll only increase the amount we collect from you if it's more than your regular overpayment. If your usual regular payment goes down, we'll check what you want to do; and if we don't hear from you, we'll leave your regular payment the same (including the overpayment).

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Borrowing more money

Once your loan agreement's in place, you can apply to borrow more money from us.

If you apply for additional borrowing, we'll add the new amount to your existing loan balance and assess the entire amount as one loan application under our current lending criteria. If we approve your application, your entire loan (your existing balance and the additional borrowing) will be managed under a new contract, so a different loan agreement and interest rates may apply.

Transfer of your contract

We may transfer any of our rights and obligations relating to all or part of your contract at any time and without your consent (for example, if we decide to sell some of our loans to another provider); and we may disclose any relevant information about it to the transferee. You acknowledge that you'll be bound to any transferee to the same extent as you were bound to us and you agree that we may release any relevant information about you, your account and your contract to the transferee.

You may not transfer or assign any of your rights or obligations under your contract.

Repaying your loan

You must pay back the entire amount covered by the loan agreement (a) by the last day of the term; (b) if you sell or re-finance the secured assets; or (c) if we demand full payment because of a default event.

If you have a 'repayment loan', each regular payment will cover the interest for that repayment period and some of the capital. We'll calculate your payments so the whole amount will be paid off by the end of your loan term.

If you have an 'interest only loan', your regular payments will only cover the interest on your loan and you'll have to pay off the capital at the end of your loan term. It's your responsibility to make sure you do this, so we suggest you check your repayment plan regularly. If you have any concerns that you won't be able to cover the full balance, you should contact us as soon as possible so we can work with you to discuss your available options.

The amount you owe may increase if you borrow any additional money from us and/or don't make your regular payment(s) and/or don't pay any charges when they fall due.

Release and reassignment

On full repayment of the loan, we'll release our security and any rights relating to the secured assets and reassign them to you. We may retain any security documents until we're satisfied that all payments have been made in full. If we discover that any payments are outstanding following release and reassignment, our right to recover those amounts from you under the terms of the contract will continue to apply.

If we release our security or our rights under the contract, and any payment or security you've used to repay the loan is later reduced or refunded because of insolvency or bankruptcy (including winding-up, administration or receivership), we may still recover the full amount of the loan from you as if the release hadn't taken place.

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YOUR COMMITMENTS TO US

You confirm that on the date of the loan agreement and of each security document:

- You're authorised to enter into the entire contract and to conduct your business as you currently are.
 - You own the secured assets; they are free from any other security; they aren't subject to any adverse claims or other matters that may affect them (including covenants, agreements, reservations, conditions, interests or rights) and there is no breach of law or regulation that adversely affects them.
 - Where you're a company, or other incorporated body, you're incorporated in a proper and legal manner and validly exist.
 - The terms of the contract don't contradict or contravene your constitution, any agreement or instrument binding on you, or any law or regulation.
 - Your obligations under the contract are legal, binding, valid and enforceable.
 - You're not aware of any circumstances that could have an adverse effect on your assets or ability to perform your obligations under the contract. This includes any circumstances that may result in a default event or termination of another agreement and any ongoing or pending litigation, arbitration or administrative proceedings.
 - There's been no material change in your business or financial condition since the loan application was submitted to us.
 - All information you provided to support your loan application was true, complete and factually accurate; any forecasts were based on recent historical data and reasonable assumptions; and any opinions given were based on fair and reasonable grounds.
- Each security document creates both (a) valid, legally-binding and enforceable security over the secured assets; and (b) perfected security over the secured assets (i.e. it is or will be registered under section 859A of the Companies Act 2006 and, in the case of real property, at the Land Registry) in our favour, with the priority stated in the security document and ranking ahead of all third parties except those preferred by law.

During the term of the contract, you agree to:

- Help us to create, perfect, protect or realise our rights relating to the secured assets and facilitate us in exercising our rights or discretion relating to them;
- Conduct your business in a proper and efficient manner and comply with any law or regulation relating to the conduct of your business and the secured assets (including maintaining, modifying, altering or repairing the secured assets);
- Obtain and renew all authorisations necessary to preserve, maintain or renew the secured assets;
- Use best endeavours to ensure agreements or arrangements with any counterparties are observed, performed and enforced;
- Tell us immediately (by secure email) if anything in the loan application, loan agreement or a security document is misleading or incorrect, if any breach of the contract occurs, or if any default event occurs or has potential to occur;
- Provide us with all the relevant documents relating to the secured assets, including deeds and insurance policies;
- Pay all outgoings relating to the secured assets (including taxes, fees, licence duties and insurance premiums) and provide us with evidence of payment on request; and

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- Promptly obtain all consents or authorisations necessary to enable you to perform your obligations under the contract.

You agree that during the term of the contract you won't:

- Create or try to create any security on the secured assets, save for that created in our favour by the security documents;
- Sell, assign, transfer, part with possession of, or dispose of all or any part of the secured assets or any other assets other than (a) trading stock, (b) assets exchanged for comparable or superior assets or (c) where the value of the asset, when taken together with the value of all other assets disposed of during the relevant financial or accounting year, does not exceed £30,000;
- Create or try to create any third party interests in the secured assets;
- Do or permit any act that might prejudice our security or materially diminish the value of the secured assets;
- Use or permit the secured assets to be used in any way contrary to law;
- Make a substantial change to the nature of your business without our consent;
- Incur any borrowing with any other provider without informing us; or
- If you are a company, (a) declare, make or pay any dividend on or in respect of your share capital; or (b) redeem, repurchase or repay any of your share capital; or (c) repay or prepay any loans made by a third party who is (or was at the time of making the loan) a director or shareholder of the company.

Payments & tax deductions on the secured assets

If there are any payments (including tax) due in relation to the secured assets, it's your responsibility to pay them. If you miss any payments and we have to pay them on your behalf, you're responsible for paying those amounts back to us, together with any interest.

You must make all payments gross (without deducting any tax), unless the law requires a tax deduction. If that's the case, you need to let us know as soon as possible, and the payment due from you will increase to ensure we receive an amount equal to the payment that would've been due if no tax had to be paid.

Charged property

During the term of the contract, you agree to:

- Keep all premises, fixtures and fittings in good repair and tell us straight away if any of them are destroyed or damaged;
- Observe, perform and enforce all covenants, stipulations and conditions relating to the charged property;
- Tell us about any Planning Notice (being a notice, order, direction, designation, resolution or proposal given by any planning or other authority) within five business days of becoming aware of it and, at your own expense, take reasonable steps to comply with or object to it;
- Comply with all applicable laws and regulations relating to the environment or the health of humans, animals or plants ('Environmental Law'), including obtaining relevant licences; and provide us with details of any claim or notice served on you relating to any Environmental Licence or any alleged breach of Environmental Law;

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- Make all payments relating to the property (including rent, charges, rates and taxes), if the charged property is held under a lease;
- Pay all costs and expenses we incur in lodging any cautions against the registration of the title to the whole or part of the charged property;
- Let us, or anyone appointed by us, enter and inspect the charged property with reasonable notice.

During the term of the contract, you must not do any of the following in relation to the charged property without our written consent:

- Pull down or remove the whole or part of any building, make any alterations or remove any fixtures or fittings, except to renew or repair like for like;
- Make any application for planning permission or development consent, carry out any development as defined in the Town & Country Planning Act 1990, or change the use of the property;
- Grant any licence or lease of the charged property, dispose of, surrender or create any legal or equitable estate or interest in the whole or part of the charged property, or allow any other person to occupy all or part of the charged property;
- Enter into any onerous or restrictive obligations affecting the whole or part of the charged property, including any overriding interest, easement or right;
- Allow any person to claim any proprietary right or interest over the whole or part of the charged property;
- Exercise or revoke any VAT option in relation to the charged property;
- Permit any person to be registered as proprietor of all or any part of the Charged Property, where the charged property is not registered at the Land Registry.

Insuring the secured asset(s)

During the term of the contract, you agree to:

- Insure each secured asset at all times against: loss or damage by fire or terrorist acts and other risks or perils that would be insured by a reasonable person conducting your business or that we reasonably require;
- Arrange the insurance with an insurance company or underwriter, on terms acceptable to us and for not less than the full replacement value of the secured asset;
- Provide us with copies of all insurance documents on request;
- Name us as co-insured on any relevant insurance policy at our request, ensure that any act of default by another named party will not invalidate the policy against us and confirm that the insurer must give us 30 days' notice in writing before cancelling the policy;
- Promptly pay all premiums and provide us with receipts for all payments on request;
- Ensure the policy is kept in full force and effect and don't do, or fail to do, anything that may invalidate or prejudice it; and
- Ensure that all funds received under any insurance policy at any time are (a) immediately paid to us; or (b) held by you in trust for us; or (c) with our consent, used to make good the loss or damage for which they were received or to discharge or reduce the amount due to us in respect of the loan.

Prior or subsequent security

Once the contract becomes enforceable, we may redeem or repay the amounts due under any prior security relating to the secured asset and our decision to do so will be binding on you.

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You'll then be required to repay the funds used for that settlement to us, along with any interest due at the interest rate specified in your loan agreement.

If we receive notice of any subsequent security relating to a secured asset, we may open a new account for you and no payments into that new account will have the effect of discharging your obligations under the contract.

Assigned agreements

Where security has been granted over an assigned agreement you agree that you must comply with the terms of that assigned agreement and mustn't:

- Waive, supplement, amend, novate, terminate or permit termination of the assigned agreement;
- Abandon, waive, dismiss, release or discharge any action, claim or proceedings relating to that assigned agreement without our prior written consent.

Charged chattels

During the term of the contract, you agree that you will do the following in relation to the charged chattels:

- Not waive, amend or terminate any rights you may have under any warranty, guarantee, indemnity or contract for maintenance relating to it;
- Comply with all legal and regulatory requirements affecting it; not use it in any way contrary to law; obtain and renew any authorisations required in connection with it; and promptly carry out any maintenance or repairs required by law or any regulation;
- Comply with our request to enforce any rights and commence or defend any legal proceedings relating to it;
- Comply with our request to fix and maintain an identification plate to it, confirming our security over it; and not allow or permit the plate to be altered, obscured or removed;
- Keep it in a good and serviceable condition (allowing for fair wear and tear) in compliance with all manufacturer's instructions (including servicing schedules);

- Replace any worn or damaged parts with parts of a similar quality and equal or greater value, at your expense;
- Keep complete records of all repairs, servicing and maintenance of it;
- Let us or anyone appointed by us enter your premises and inspect it, with reasonable notice;
- Only allow it to be used by properly trained persons, and only modify it if that's necessary to keep it in good repair; and
- Promptly notify us of any action, claim or demand made by or against you in connection with it.

CONTACTING US

Keeping us informed

It's your responsibility to keep us up-to-date about the performance of your business throughout the term of the contract. Unless we agree otherwise, you must provide us with:

- Your audited consolidated accounts: annually, within 180 days of the end of your financial year;
- Your monthly management accounts: monthly, within 30 days of the end of each month;
- Your tenancy schedule (where relevant): monthly, within 30 days of the end of each month;

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- Your annual budget: annually, at least 60 days before the start of your new financial year;
- All notices or documents issued to any shareholders or creditors;
- Any information we request, about you or your business.

You must also inform us about any litigation, arbitration or administrative proceedings as soon as you become aware of them.

If your business is a partnership or a Trust, you'll need to tell us promptly if an existing partner or trustee (respectively) is no longer involved in the business for any reason (including death, bankruptcy, incapacity, expulsion or retirement). You'll also need to tell us if a new partner or trustee (respectively) is appointed and ensure that they agree to the terms of the contract in a way that's acceptable to us.

If your business is a limited liability partnership (LLP), you'll need to notify us promptly if any person becomes a member of the LLP or ceases to be a member of it.

If a person ceases to be a member of either a partnership or an LLP, you mustn't repay any of their capital contribution, any loan they've made or any reserves, or re-designate any part of their capital contribution as a loan, without our prior consent.

Notices

Any notice to be given in relation to the contract must be in writing and be delivered by hand, pre-paid first class post or another next business day delivery service.

We'll send any notice to you at the business address provided to us in the loan application. Any notice you send to us should be addressed to: Head of Securities and Business Banking Support, Atom Bank, Northumbria House, Aykley Heads, Durham DH1 5TS.

Either of us must give the other five business days' notice if we change our correspondence address.

You will be deemed to have received any notice we send to you on the next business day after it was (a) hand-delivered to your address or (b) sent by pre-paid first class post or other next working day delivery service. We will be deemed to have received any notice sent by you to us when we actually receive it.

Rights to cancel

You may cancel all or part of the undrawn commitment under your loan agreement by giving us at least one month's notice in writing via secure email.

If it becomes unlawful for us to be in a contract with you (or for us to make the loan or to perform any of our obligations under the contract), we'll cancel any undrawn commitment and terminate your contract immediately. We'll confirm this by secure email and you'll be required to repay the outstanding loan amount by the date specified in that email.

IF THINGS GO WRONG

Sometimes things go wrong and it's important to let us know so we can help. If your circumstances have changed or you're finding it difficult to make your regular payments, please call us on 0333 399 0065 or email business@atombank.co.uk as soon as possible so we can work together to find a solution.

Our rights in difficult situations

If you don't meet any of your responsibilities under the contract, we may need to correct the situation to protect our interests; and you may have to cover the costs of this.

Our T&Cs

If necessary, we may enter and inspect the charged property and/or the secured asset(s) at any time and complete any work in line with the contract. We'll try to give you at least seven days' notice if we need to do this.

If someone else has a higher priority claim on the secured asset than us, or an interest that prevents us from selling it, we may buy out that person's right if (a) we've asked you to repay all of the money you owe us and you haven't, or (b) the other person's claim or interest has come into force. If this happens, we'll let you know about our agreement with them and you must act within the terms of that agreement (if relevant).

If you hold any money in another account with us, we may use the money from that account to pay off or reduce the money you owe us under the loan agreement.

If a default event happens, we may exercise the powers under the Law of Property Act 1925 ('LPA'), section 101 (including the power of sale) immediately. We may use any of the powers that the law or the contract gives us to:

- Repossess and sell the secured assets;
- Appoint a receiver;
- Let or agree to let the charged property for any length of time and on any conditions we reasonably consider appropriate;
- Manage the charged property, including collecting rent;
- Apply all or any of the rent received from the charged property towards the money owed by you;
- Vary, end, review or accept the surrender of leases or tenancies over the charged property without the need to comply with any of the restrictions under the LPA 1925, sections 99 and 100.

Section 103 of the LPA doesn't apply to the security created by the security documents.

Repossession

If you miss any payments, go into arrears or ignore or breach your responsibilities under the contract, we may ask for a court order so we can repossess and sell the secured asset(s).

If we do this, we'll make sure we get the best price we can, but this may be less than the amount you owe us. If we sell the secured asset(s) for less than the amount you owe us, you'll have to pay us the outstanding amount under the loan agreement, plus any losses or expenses that we've incurred as a result.

Default events

The following situations are defined as 'default events':

- You gave us incorrect or incomplete information when you applied for the loan or any representation or statement made by you in the contract is untrue, incorrect or misleading.
- One of your regular payments is late by more than a month; or you make three or more consecutive late payments (by any number of days).
- You don't repay a loan to another commercial lender when it's due, or you default on it so that it becomes due for early repayment.
- You've breached the terms of our contract.
- You're using the proceeds of crime to make your regular payments.

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- You've failed to meet any of your obligations under a lease relating to the secured asset(s).
- You stop or suspend payment of any of your debts, or tell us you can't pay them as they fall due.
- The value of your assets is less than your liabilities (taking into account contingent and prospective liabilities).
- You're subject to a bankruptcy order, a voluntary arrangement, a deed of arrangement or any other arrangement with your creditors.
- All or part of the secured asset(s) is subject to a compulsory purchase order or is requisitioned.
- Any action, proceedings, procedure or step is taken for:
 - The suspension of payments, a moratorium of any indebtedness, winding up, dissolution, administration or reorganisation of your business (using a voluntary arrangement, scheme of arrangement or otherwise);
 - The composition, compromise, assignment or arrangement with any creditor with a view to rescheduling any of your indebtedness (because of actual or anticipated financial difficulties);
 - The appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of you or any of your assets; or
 - The enforcement of any security over any of your assets.
- Any distress, attachment, execution, expropriation, sequestration or comparable legal process is levied, enforced or sued out on, or against, your assets.
- You suspend or cease to carry on all or a substantial part of your business, or indicate that you may do so.

- You die or become incapable of managing your own affairs because of mental or physical illness or incapacity; or you become a patient under any mental health legislation.

Immediate repayment of your loan

If any default event occurs and we're unable to agree a solution with you, we may demand full repayment of your loan in writing and you'll be legally required to pay it back immediately.

Appointing a third party

We may appoint someone else (a 'receiver') to oversee the repossession and sale of the secured assets. Any money received by that person will be used to: (a) settle any priority claims on the secured assets; (b) settle their costs, expenses and fees; then (c) pay us the amount you owe. Any remaining balance will be paid to the person entitled to it (e.g. you).

Money received in these circumstances may be placed in a suspense account and held in that account for as long as we think fit. We'll confirm the interest rate on this account to you in writing.

A receiver must be appointed in a written document signed by one of our authorised signatories. If we appoint more than one receiver they'll have power to act together or on their own; and we can choose to remove a receiver and appoint a new one at any time. We may agree the fees and expenses charged by a receiver at any reasonable level (and any statutory restriction shall not apply). Our power to appoint a receiver is additional to all other legal powers we may have and can be exercised without the restrictions contained in the LPA 1925, sections 103 and 109, or otherwise.

Our T&Cs

So far as the law allows, the receiver will be your agent, which means that you'll be liable for anything they do or fail to do, as well as their fees and expenses. A receiver will have all the authority given to us by the contract or by law as well as their statutory powers; this includes the power to do anything you're entitled to do as owner of the secured asset(s). A receiver's authority includes the power to:

- Repair and develop the secured assets, including applying for and maintaining any planning permission, building regulation approval, development consent or any other permission;
- Grant or accept the surrenders of leases or tenancies in relation to the charged property;
- Employ personnel and advisers on any terms the receiver thinks fit;
- Make and revoke VAT options to tax;
- Charge for remuneration that we agree with the receiver;
- Collect any part of the secured assets that their appointment relates to and commence any proceedings for that purpose;
- Manage or reconstruct the business conducted at the charged property;
- Dispose of any part of the secured assets that their appointment relates to, including sale, lease or the grant of options and licences, on the terms and conditions they think fit;
- Sever fixtures and fittings from the charged property;
- Give valid receipts for money relating to the disposal or realisation of any of the secured assets;
- Make any preferable arrangement or settlement between you and any other person;
- Bring, defend, abandon or enforce all actions and proceedings relating to the secured assets;
- Effect any insurance policy required to be put on risk by you under the contract;

- Raise money by borrowing from us (or any other person) on an unsecured basis or by granting security over the secured assets their appointment relates to;
- Redeem prior security; and
- They will also have: all powers of a receiver under the LPA and all powers of an administrative receiver under Schedule 1 of the Insolvency Act 1986; all powers and rights an absolute beneficial owner would have in relation to any part of the secured assets; and any incidental powers they need or want as a result of the contract, or for realising any of the secured assets.

Acting on your behalf

At your own cost, you'll take any action that we reasonably require to create or protect the security specified in the security documents; and to help us enforce our rights or powers under the contract in relation to the secured assets, including signing any documents or giving any notices.

We (and any third party we appoint) have the right to do any of the following things on your behalf:

- Sell or grant options over all or any part of a charged property, and sell any produce or possessions found on any charged property, then receive and use any money which becomes payable as a result;
- Give notice and exercise, enforce or defend rights associated with the secured assets;

Our T&Cs

- Do anything necessary to exercise, enforce or defend our rights under the contract, including exchanging information with third parties who have an interest in the secured assets; and
- Do anything necessary to remedy any breach of the contract by you, including registering a document at the Land Registry.

You irrevocably appoint us (and any third party appointed by us) to be your attorney. This means we can act on your behalf and in your name to sign any necessary documents or do anything else that's required of you under the terms of the contract. This includes anything we deem to be required, to exercise any of our rights under the contract.

THE LEGAL STUFF

Applicable law

These T&Cs are governed by the laws of England and Wales and if there's any disagreement about them, or between us about your account(s), we each agree that this'll be dealt with by the Courts of England and Wales.

Responsibility for loss

We're not responsible for any loss or damage resulting from the exercise of or failure to exercise our powers under the contract loan, except where it's caused by our negligence.

Nothing in these T&Cs is intended to exclude or limit the liability of Atom in relation to fraud or in other circumstances where Atom's liability may not be limited under any applicable law.

Waivers

Any waiver given by us relating to our rights under the contract will only be effective if it's in writing. It won't be deemed to be a waiver of any other breach or default, and only applies to the circumstances for which it's given. If we don't enforce any of our rights under the contract, or we delay in doing so, it doesn't mean we've given up those rights. Also, exercising a right once won't prevent us from exercising it again in the future.

Atom is the trading name of Atom Bank plc, a company registered in England and Wales with company number 08632552. Registered office: Northumbria House, Aykley Heads, Durham DH1 5TS. VAT registration number: 204140372.

Atom is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority and the PRA.

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