



Mortgage Terms and Conditions (T&Cs)

Our T&Cs



Our Agreement

When you have a mortgage account with Atom, the Agreement between us consists of the following:

- Your mortgage application;
- These T&Cs, our App T&Cs and our General T&Cs;
- Your Mortgage Offer, detailing your mortgage and/or any additional borrowing;
- Our Price List, which tells you about any fees or charges you may have to pay; and
- The Mortgage Deed, or Standard Security if the Property is in Scotland.

Please read all these documents carefully and make sure you understand them before taking out an Atom mortgage, as your home may be repossessed if you don't keep up repayments on your mortgage. If you have any questions, please contact us on 0333 399 0050.

Each condition of these T&Cs operates separately. If any court or competent authority decides that any of them are unlawful or unenforceable, the other conditions will remain in full force and effect.

Declaration for Properties in Scotland

We, Atom Bank plc (registered number: 08632552; registered office: Northumbria House, Aykley Heads, Durham, DH1 5TS) hereby declare and set forth the conditions that may be imported, by reference to this document, into Standard Securities in our favour, as follows:

Jargon

We try not to use jargon, but the following words have a special meaning in these T&Cs:

- **We / us / our** (whether capitalised or not) means Atom Bank, including our employees or agents (anyone acting on our behalf).
- **You / your** (whether capitalised or not) means each borrower named in the Mortgage Deed, including any personal representatives and anyone to whom title to the Property passes. It also means all of you together if there's more than one of you.
- **The Completion Date** is the date on which our Agreement starts. This happens when you've signed the Mortgage Deed and we've paid the Loan (or the first instalment of it) to you or someone acting on your behalf (e.g. your solicitor).
- **The Loan** means each amount of money we have lent to you, secured against a Property, as stated in the Mortgage Offer. This may include any additional borrowing and any other money you owe us, such as interest and unpaid fees and charges.
- **The Mortgage Offer** means any written offer of a Loan provided to you, which results in a Loan being made to you.
- **The Mortgage Deed** is the legal document you sign to give us the Property as security for the money you owe us, and includes the Standard Security if the Property is in Scotland.
- **The Property** means the property referred to in your Mortgage Offer as security for the Loan; references to it may include all or any part of the Property.

Our T&Cs

Summary of key T&Cs

- **Monthly payments:** you must make the regular monthly payments stated in your Mortgage Offer. Your monthly payments are based on the type of mortgage we've offered you, the Loan amount, the Interest Rate and the mortgage term. We'll always tell you in advance if your monthly payment is changing for any reason.
- **Interest rate:** we'll charge you interest on the Loan at the rate stated in the Mortgage Offer. Unless your Mortgage Offer states that your interest rate is fixed, it may change during the term of your Loan and you should ensure that you're able to cover any increases.
- **Charges:** we may charge you for completing certain activities on your mortgage, services you ask us to provide or costs arising from your failure to comply with our Agreement. All our charges are in our Price List, which will be stored in your in-App Vault.
- **Your obligations:** your mortgage is secured against the Property stated in your Mortgage Offer. You must keep it in a good state of repair, ask us for permission to complete certain activities and insure it.
- **Set-off:** if you don't pay any money you owe us when we ask for it, we can use money from any of your other Atom accounts to pay it.
- **Actions we may take:** if you breach these T&Cs, we can take certain actions, including repossessing or selling the Property.
- **A receiver:** except if the Property is in Scotland, we may appoint a receiver to manage the Property if you fail to keep to our Agreement. The receiver will act on your behalf and you will pay their fees.
- **Immediate repayment:** these T&Cs explain when we can ask for full immediate repayment of the Loan. Failure to provide immediate repayment on request may result in us repossessing your Property.

Account holders

Atom mortgages can be opened as a sole account (just you) or as a joint account (you plus one other person). If there's more than one of you, our Agreement applies to all of you together and to each of you on your own; and each of you can be held fully responsible for keeping to it.

There are some situations where we'll ask all of you to confirm you're happy before we go ahead – e.g. additional borrowing, porting or changing ownership of the Property. You can find more information about joint accounts in our General T&Cs.

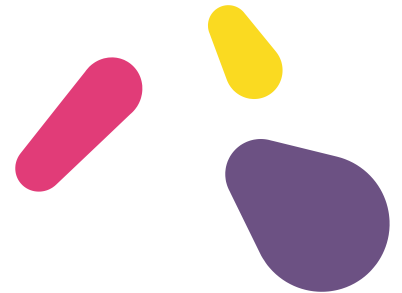
Once a mortgage account is open, we can register a power of attorney for it. Please call us on 0333 399 0050 if you need to set this up.

Guarantors

If you have a guarantor on your mortgage, please make sure they've read all the documents that form our Agreement, as they are as responsible as you for meeting your obligations. If we make any special arrangements with you, this doesn't affect your Guarantor's obligations to us.

A guarantor will be responsible for making any payments you don't make and for full immediate repayment in some cases, so they must take independent legal advice before they sign any documents relating to your Loan.

Our T&Cs



If there's more than one guarantor, they're each individually responsible for all relevant obligations under our Agreement. The guarantor will only be responsible for the original Loan unless they've agreed to act as guarantor for any additional borrowing.

The guarantor agrees that they won't progress any claim against you until all money due to us under our Agreement has been repaid in full.

By entering into the Agreement, you are allowing us to share details of the mortgage with your guarantor.

Eligibility

You must be at least 18 years old, meet our lending criteria and be a UK resident to have an Atom mortgage.

Changes to these T&Cs

If we need to change these T&Cs, we'll give you 30 days' notice so you can consider the proposed changes in advance, except where they are to your advantage (then we'll make them straight away).

If you're not happy with the changes, you can repay the Loan. Your Mortgage Offer will confirm if there are any charges for doing so (e.g. early repayment charge).

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

- To reflect developments in our App or proposition (including our products/services);
- To respond proportionately to changes in the law or decisions of the Financial Ombudsman Service;
- To meet regulatory requirements;
- To reflect new industry guidance and codes of practice which raise standards of consumer protection;

- To proportionately reflect legitimate cost increases or reductions associated with providing the particular product or service you use;
- To ensure we are being fair to all our customers; and/or
- To respond to changes in general banking practice for the benefit of all consumers.

We'll only do this if we reasonably expect to be affected by one of the above reasons.

Need these in another format?

Our digital format goes a long way towards achieving full accessibility for all, but if you need these T&Cs supplied in another format, or if we can help you to use our service in any other way, simply contact us via the App or call us on 0333 399 0050.

YOUR LOAN

Opening your mortgage account

If we offer you a mortgage, you must confirm in the App that you have read and accept both these T&Cs and your Mortgage Offer before your Completion Date.

You must install the Atom App to service your mortgage. We will not release the funds for your Property purchase until you have downloaded the App and accepted these T&Cs and your Mortgage Offer.

Please refer to the App T&Cs and General T&Cs to find out more about using the App.

Our T&Cs

Payments

Paying back your mortgage

You must make the payments set out in the Mortgage Offer by direct debit until your Loan is repaid. You must repay the Loan to us (a) by the last day of the mortgage term; (b) if you sell or remortgage the Property; or (c) if we demand immediate repayment. If you still owe us money at the end of your mortgage term, we'll continue to charge you interest and you may also have to pay some additional charges (see our Price List for details).

If you have a "repayment mortgage", each of your payments will cover that month's interest and some of the original amount you borrowed. We'll calculate your payments to make sure the whole Loan (including interest) will be paid off by the end of your mortgage term.

If you have an "interest only mortgage", your monthly payments will only cover the interest we're charging you, so you'll need to make a lump sum payment at the end of your mortgage term to repay the Loan in full. It's your responsibility to make sure you can meet this obligation.

If your mortgage is part repayment, part interest-only, you will still owe the interest-only amount of your Loan at the end of the mortgage term, when you'll need to make a lump sum payment to repay it. It's your responsibility to make sure you can do this.

If you pay less than you owe us in any given month, we will apply the amount we receive in the following order: (a) towards any arrears; (b) towards any interest and charges; then (c) towards the rest of the Loan.

If we, or where relevant, a receiver sell the Property, you must pay us any shortfall between the sale proceeds and the amount you owe us. If the shortfall is not paid immediately we will apply interest at the Interest Rate until it is fully paid.

Your monthly payments

During the application process, we'll ask you to choose your monthly mortgage payment date by direct debit – you can choose any date between 1st and 28th of the month (inclusive). If you don't specify a date, we'll

automatically collect your monthly payments on the date of the month your mortgage completes – e.g. if it completes on the 16th of the month, we will collect your monthly payments on the 16th of each month. If your monthly payment date is the 29th, 30th or 31st and that date doesn't appear in any given month, we'll collect your payment on the last day of that month – e.g. if your payment date is the 30th, we'll collect it on the 30th day of each month except February, when we'll collect it on the last day of the month.

If your payment is due 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 monthly payment may be higher or lower than your usual payment, depending on the time between your Completion Date and the due date of your first payment.

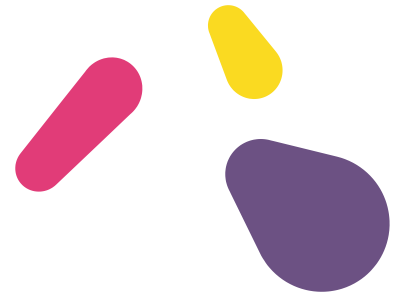
When we complete your mortgage, we'll put a document in your Vault (in the App) to confirm the amounts and collection dates for your monthly payments. If your monthly payments change for any reason, we'll put an updated document in your Vault.

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.

Changes to your monthly payments

You can ask to change your payment date via the App. We'll usually only allow you to change it once in any six-month period, unless you're experiencing financial difficulties, in which case you should contact us straight away. If you change your payment date, your next payment may be higher or lower than usual – we'll tell you about this and put a new confirmation document in your Vault.

Our T&Cs



We may change your monthly payment if:

- The Interest Rate changes;
- The balance of the Loan changes (e.g. charges are added);
- Your mortgage term changes;
- We need you to reimburse us for any charges we've paid on your behalf as a result of your non-payment (e.g. ground rent); or
- There is any compulsory change in law or regulation.

In any of these cases, we will assess the ongoing affordability of the Loan and act reasonably, based on the information available to us. We'll notify you of our decision and if your payment's changing, we'll put a confirmation document in your Vault at least 10 days before the first new payment is due.

Statements and tax certificates

You can access your account and check your balance at any time via the App. We'll put your mortgage statement in your in-App Vault every year on the anniversary of your Completion Date (except if that date's 29 February, when your statements will be issued annually on 28 February) and confirm by email or SMS that it's there.

We can provide statements and tax certificates on an ad hoc basis for specific circumstances – you can request one by contacting us at any time.

Interest

From your Completion Date until the date the Loan is fully repaid, interest will be calculated daily and charged monthly at the Interest Rate stated on:

- The Loan balance;
- Any interest you owe and haven't paid on time;
- Any charges you've chosen to add to your mortgage; and
- Any charges we've paid on your behalf as a result of your non-payment (e.g. ground rent).

Unless we agree otherwise, we'll add interest to your account every month, on your payment date. We will act reasonably in doing so – for example, we may assess affordability before adding unpaid interest to the Loan.

We may increase your Interest Rate if your use of the Property affects the value of our security in it, you let out the Property without our permission, you move out of the Property or you allow someone else to have rights in it.

If we change your Interest Rate for any reason, we'll give you advance notice of your new payments and put a new confirmation document in your Vault.

Fixed rate mortgages

If you're on a fixed rate mortgage, it means your Interest Rate and your monthly payments will be fixed for the period of time stated in your Mortgage Offer.

At the end of the fixed term, the Interest Rate will automatically change to our Standard Variable Rate, which may be higher or lower than your initial fixed rate (see 'Our Standard Variable Rate').

Our Standard Variable Rate (SVR)

You can find details of our current SVR on our website.

As our SVR is a variable rate managed by us, it can go up or down; so if you're on our SVR, this means your monthly payments may also go up or down.

We may change our SVR at any time without giving you notice. If your monthly payment will change as a

Our T&Cs

result, we'll give you at least 10 days' notice of your new payments and put a new confirmation document in your Vault.

Subject to any specific terms in your Mortgage Offer, we can increase our SVR at any time if we reasonably believe it's necessary to:

- Reflect a change in the Bank of England base rate;
- Reflect changes to the law, regulatory requirements or any relevant code of conduct or practice;
- Reflect changes in the cost to us of borrowing funds;
- Maintain our financial strength in the interest of all our customers; or
- Address risks to our business that arise as a result of any significant changes in the economic environment.

If you're not happy with the change, you can repay the Loan in full. Your Mortgage Offer will confirm if there are any charges to do so (e.g. early repayment charge).

Charges

The fees and charges linked to your mortgage are set out in our Price List, which we'll put in your Vault with your Mortgage Offer and every year during your mortgage term. It is also available on our website.

The specific charges stated in your Mortgage Offer form part of the price of your Loan. These will usually be connected to specific costs for the operation of the Loan or to provide a service in connection with the Loan, to you or someone else.

There are also a number of costs which may arise during the term of the Loan – usually because you ask us to do something or you do not keep to your obligations under our Agreement. We'll tell you if you ask us to do something that incurs a charge.

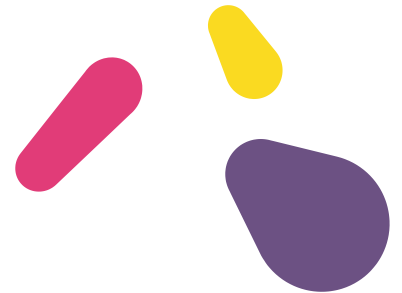
Examples of charges:

- Operational charges: include charges to discharge our security, release title deeds, or change the terms of the Loan or mortgage at your request.

- Legal costs: include the costs of setting up the mortgage over the Property to secure the Loan.
- Costs to safeguard our security: include charges to cover any legal proceedings and costs relating to the mortgage; exercising any of the rights or powers given to us by law or these T&Cs; recovering any of the outstanding balance; and insuring the Property.
- Arrears charges: include administration charges that may be payable to cover our costs if your Loan account falls into arrears. While arrears administration fees may be added to your Loan balance, we will not apply interest to them. Legal costs may also be charged and added to your Loan balance.

If you do not pay a charge within seven days of the due date, we may add it to your Loan balance if it is reasonable to do so. If we do add a charge to your Loan, we'll charge interest on it at the Interest Rate until it is repaid. We'll also tell you if this changes your monthly payment; and if any of your Loan is on a "repayment mortgage", we'll recalculate your payments to make sure the whole amount (including interest) will be paid off by the end of your mortgage term.

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Changing our charges

We may change our charges at any time if it is reasonable to do so. If the change is not to your advantage (e.g. if we increase a charge or introduce a new one), we will only make the change for one of the following reasons:

- To reflect changes to the law, regulatory requirements or any relevant code of conduct or practice; or
- To reflect changes in the costs of providing your Loan, including the services and features available on it (which includes changes in technology we use).

If we make a change to the charges, we'll tell you 30 days in advance and put the updated Price List in your Vault.

Overpayments

If your Mortgage Offer says there's an overpayments feature on your mortgage, you can repay a certain percentage of your outstanding Loan every year without having to pay an early repayment charge.

Lump sum overpayments

If you make a lump sum overpayment, you won't be able to get it back and your monthly payments will stay the same unless you ask us to change them. Lump sum payments are applied in the following order: first, towards any arrears; then towards any interest and charges; then towards the rest of the Loan.

Regular overpayments

You can ask us to change your direct debit amount to include a regular overpayment at any time, though it will take us five business days to make the change. You can also change your overpayment amount or go back to your usual monthly payment at any time, by giving us five business days' notice.

If you're on a variable rate and you make regular overpayments, things can be a little more complicated. If your usual monthly payment goes up, we'll only increase the amount we collect from you if it's more than your monthly overpayment. For example:

- Your usual monthly payment is £500.
- You pay £600 each month, making a regular overpayment of £100.
- Your Interest Rate goes up so your usual monthly payment increases to £540.
- We'll continue to collect £600 per month, so your regular overpayment will be £60.

If your usual monthly payment goes down, we'll check with you to see what you want to do. If we don't hear from you, we'll leave your monthly payment the same (which means the amount of your regular overpayment will increase).

Switching your mortgage

You can ask to switch all or part of your Loan to a different Atom mortgage product at any time, though you'll have to pay any charges detailed in your Mortgage Offer (e.g. early repayment charges). If we agree to the switch, your monthly payment may change and the T&Cs relating to the new product will apply from the completion date of your switch.

Borrowing more money

If at least 6 months has passed since your Completion Date, you can apply to borrow more money from us, via your intermediary. We'll base our decision on your personal circumstances, our current lending criteria, credit reference agency searches and a re-valuation of your Property.

Our T&Cs

If we agree to offer you additional borrowing, it will be treated as a new loan – so different terms may apply (e.g. interest rate; product fee). We'll explain all of these new terms to you when you apply, so you can decide whether or not you want to go ahead.

Porting your mortgage

If at least 6 months has passed since your Completion Date and your mortgage is "portable", you can transfer it to another property you want to buy.

If your Mortgage Offer says you can port, we'll agree as long as:

- You and your new property meet our current lending criteria;
- You are not in breach of any Loan agreement;
- You tell us you want to port before closing your existing mortgage; and
- Your new mortgage starts within 90 days of closing your existing mortgage.

If your new mortgage will be for a lower amount than your existing Loan, you may have to pay an early repayment charge (check your Mortgage Offer for details). If your existing mortgage is closed before your new mortgage starts, you will have to pay any early repayment charges, though we'll refund these on completion of your new mortgage. If your new mortgage will be for a higher amount than your existing Loan, you can apply for additional borrowing (see "Borrowing more money").

Changing account holders

You can ask to add or remove a mortgage account holder at any time – this is called a "transfer of equity" and is treated like a new mortgage application. We'll base our decision on your personal circumstances, credit reference agency searches and our current lending criteria.

If you want to borrow more money when you transfer equity, you'll need an intermediary to submit your application. If you want to reduce your Loan when you transfer equity, you may have to pay an early repayment charge (check your Mortgage Offer for details).

A transfer of equity may involve some charges – see our Price List for details.

Selling part of the Property

As we have an interest in your Property, you must ask our permission before you can sell any part of it. We'll make our decision on whether to approve based on the impact we think it'll have on the value of our security in your Property. We may need to re-value the Property and you may have to pay some charges – see our Price List for details.

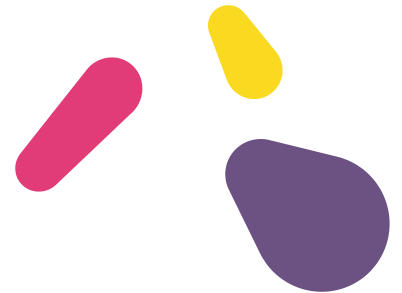
If we agree to the sale, we may require you to use all or part of the sale proceeds to repay your Loan.

Letting the Property out

Unless your Mortgage Offer states otherwise, the Property must be your main residence and should not be let or sub-let without our permission.

You can ask for "Consent to Let" at any time if you want to let out some or all of the Property. We'll base our decision on your personal circumstances and our current lending criteria; and we may need to complete a rental valuation on the Property, which you may have to pay for - see our Price List for details.

Our T&Cs



If we agree that you can let the Property out, we may increase your Interest Rate or charge a Consent to Let fee, to reflect the increased risk involved in rental properties – see our Price List for details.

Buy to Let mortgages

If you have a Buy to Let mortgage with us, the following additional T&Cs apply to you:

- You must tell us if the Property is vacant for 3 consecutive months at any time during the mortgage term;
- You must only let the Property out as a whole under one tenancy agreement on terms that will not negatively impact on the nature or value of the Property (except if the Property is in Northern Ireland, this should be under an assured shorthold tenancy or company let for 12 months or less);
- Every time you let the Property, you must put a valid tenancy agreement in place and ensure that the tenant(s) comply with it;
- You must ask our permission before you, your partner and/or any family member lives in the Property; and
- At the end of every letting, you must do all you can to re-let the Property as soon as possible, comply with any insurance terms relating to the Property being empty and, where relevant, put vacant property insurance in place.

Transferring the Loan

We have a right to transfer our interest in the Loan and the Mortgage Deed to another party at any time on terms we decide. If we ever do this, we'll give you at least five days' notice of the change and ensure the transfer will not reduce your rights under the Loan Agreement.

Unless the terms of the transfer state otherwise, all the rights, powers and remedies we're able to exercise before the transfer will pass to the person/company we transfer the Loan to.

You agree that if we transfer our rights to someone else, the Agreement you've entered into with us will pass to that person/company and your responsibilities will be to them from that point on. You also agree that we may share any information about you, your mortgage account and any related securities with that person/company. Any reference to "we" and "us" in our Agreement means a reference to any person/company to whom our rights are transferred.

YOUR COMMITMENTS TO US

Security

We'll secure the Loan against the Property, to protect us in case you don't keep to your obligations under our Agreement and we need to take certain steps to enforce the security (see "Action we may take").

The security over your Property may be for more than the amount you owe us under the Loan. For example, it may include amounts you owe us under any other agreement (other than agreements that are stated to be regulated by the Consumer Credit Act 1974).

Taking care of the Property

As we have an interest in your Property, we need to know you're taking good care of it, so you agree that during your mortgage term, you will:

Our T&Cs

- Keep the Property, utilities and heating system in good condition and carry out all necessary repairs;
- Ensure that any unfinished building or works on the Property are completed without delay and to the required standard;
- Use the Property for residential purposes as a single private dwelling;
- Live in the Property yourself, unless you have a Buy to Let mortgage or we've agreed in writing that you may let the Property out;
- Insure the Property in accordance with our Agreement;
- If the Property is in Northern Ireland, ensure that any compensation payable in respect of damage to the Property under the Criminal Damage (Compensation) (Northern Ireland) Order 1977 (or any other statute then in force) is claimed within applicable timescales;
- Except if the Property is in Scotland, comply with all of the tenant's obligations under the lease, if the Property is leasehold;
- Pay all existing and future rents, taxes, outgoings and rent charges affecting the Property;
- Send us a copy of any notice or other document affecting the Property within 14 days of receiving it from anyone claiming a legal right over the Property; or any government department, local or other authority;
- If the Property is in England or Wales: send us a copy of any notice or other document affecting the Property within 14 days of receiving it from a landlord, if the Property is leasehold; a rent charge owner, if the Property is subject to a rent charge; or a commonhold association, if the Property is commonhold;
- If the Property is in Northern Ireland: send us a copy of any notice or other document affecting the Property within 14 days of receiving it from a landlord, if the Property is leasehold; a rent charge owner, if the Property is subject to a rent charge; or a grantor, if the Property is held under fee farm grant.
- Allow us and/or a receiver (where relevant) to enter the Property, following reasonable written notice, so that we may value it, inspect the condition of it and/or complete any work which is needed to put right your failure to comply with our Agreement;
- Comply with all laws, regulations, obligations and restrictions relating to the Property including those applicable to you as the landlord if you have a Buy to Let mortgage;
- Pay all applicable taxes and charges relating to the Property;
- Store any title deeds for the Property safely and send them to us if we ask you to;
- Work with us and/or a receiver (where relevant) if it's necessary to take anyone to court in connection with the Property;
- Give us and/or a receiver (where relevant) any information we reasonably ask for about the Property or any guarantor.

Our consent

You must obtain our written agreement before you do any of the following:

- Leave the Property empty for more than one month;

Our T&Cs



- Change the Property's use or allow it to be used for a trade, business or other non-residential purpose;
- Let the Property out or give anyone any right to occupy or live in it;
- Apply to a local authority (or similar body) for any loan or grant for improvement of the Property – this is because it may be subject to conditions such as full repayment if you don't live in the Property for a certain period;
- Transfer, assign, mortgage, sell, obtain an extended lease of or otherwise deal with or give away the Property or any part of it;
- Alter, extend or change the structure of the Property;
- Accept the surrender of any lease or tenancy of the Property other than any tenancy we have agreed to under our Agreement;
- If the Property is in Northern Ireland, let anyone create any new restriction, obligation or overriding interest over the Property (as specified in the Land Registration Act (Northern Ireland) 1970, as amended);
- Negotiate, give up or agree to any compensation relating to the Property.

We won't withhold or delay giving you our consent unless we have a good reason to so, in which case, we'll explain that to you in writing.

Insuring the Property

You must make sure you have buildings insurance in place for the Property at all times.

Where you insure the Property, you must maintain a comprehensive policy against all usual house insurance risks including fire, explosion, earthquake, storm, flood, escape of water or oil, subsidence, heave, landslip and malicious damage. The policy must cover full

reinstatement of the Property, including clearing the site and paying all fees and expenses. You must also give us proof of payment of the premiums if we ask for it.

If the Property is in England or Wales: if the Property is leasehold and the terms of the lease mean it is insured along with other properties, you won't need to insure it as long as we (or our legal advisers) have approved the policy and confirmed the insurance is in force. You must ensure the Property remains covered against all usual house insurance risks for the cost of full reinstatement.

If the Property is in Scotland: if the Property is part of a larger building and is insured along with other properties on a common policy, you won't need to insure it as long as we (or our legal advisers) have approved the policy and confirmed the insurance is in force.

If the Property is in Northern Ireland: if the Property is leasehold or held under fee farm grant and the terms of the lease or fee farm grant mean it is insured along with other properties, you won't need to insure it as long as we (or our legal advisers) have approved the policy and confirmed the insurance is in force. You must ensure the Property remains covered against all usual house insurance risks for the cost of full reinstatement.

If you fail to insure the Property we may insure it on your behalf. We'll choose the insurers and maintain a comprehensive policy against all usual house insurance risks for the cost of full reinstatement of the Property; and you will pay the premiums when we ask you to.

You will not act or fail to act in any way to make the insurance invalid, make it more difficult or expensive to arrange, or affect the ability to make a claim under the policy.

We may settle and adjust any claims against the insurers of the Property on your behalf. In the event of any successful claim on the policy, we may receive any money paid out; and if you receive it, you must hold it separate from your other funds on our behalf. We can choose whether to use any pay-out to rebuild or repair

Our T&Cs

the Property or to reduce or pay off the Loan, as long as we act reasonably to protect our security.

IF THINGS GO WRONG

If your circumstances change or you're finding it difficult to make your monthly payments, please contact us as soon as possible so we can work together to find a solution.

You can contact us via the App or call us on 0333 399 0050 to tell us about any difficulties you're having. In some cases, you'll be able to use the App to make arrangements to avoid missing payments or to deal with any payments you've already missed.

Set-off

If you fail to make a payment on your Loan or any other loan with us, the "right of set-off" means that we may collect the money you owe us from any other sole or joint Atom account in your name.

We will tell you (and any joint account holder) before we use our right of set-off and contact you as soon as possible after we've used it to confirm how much we collected.

If you have loans secured against more than one Property and you miss any payment, we (or where relevant, a receiver) may collect the money you owe and hold it in an interest-bearing suspense account for a reasonable time. We are not obliged to use any part of that money to pay off the outstanding Loan. This term will not apply if the Property is your primary residence.

Immediate repayment

In certain circumstances – often referred to as "default events" – we may ask for full immediate repayment of your Loan. We will only do this if:

- Your Loan is secured on your primary residence and you have failed to make two or more monthly payments;

- Your Loan is secured on a Property which is not your primary residence and you have failed to make one or more monthly payments, or any other sums are due to us and you have not paid them;
- You materially or persistently fail to comply with your obligations under our Agreement;
- You are made bankrupt;
- You enter or plan to enter into an arrangement with your creditors;
- The Property is compulsorily acquired (e.g. a local authority forces you to sell it to them); or
- You die, or in the case of a joint account, the last surviving one of you dies.

While we'll always try to work with you to agree a way forward, if a default event occurs and we're unable to agree a solution with you, we may demand immediate repayment of your Loan in writing and you will be legally required to pay it back.

In this situation, we may exercise our legal rights, which include the option to repossess and sell the Property; to appoint a receiver (except if the Property is in Scotland); and to let the Property and use any rent received to pay the Loan.

If we obtain a Court judgment against you for repayment of all or part of the Loan, you will pay interest on the judgment amount at the Interest Rate or a rate set by the Court.

Our T&Cs



If you have Loans relating to more than one Property and you tell us that you intend to repay just one of them, we can require you to pay any part of the outstanding Loans at the same time. This term won't apply to a Property that is your primary residence; and does not affect your right to repay any agreement regulated by the Consumer Credit Act 1974.

Appointing a receiver

Except if the Property is in Scotland, if you fail to keep to our Agreement, we may appoint a receiver to manage the Property. Although we will appoint the receiver, they will act on your behalf and you will have to pay their fees.

Where joint receivers are appointed, each of them may act separately and independently, unless the document appointing them states otherwise.

We will agree the fees for the receiver's services and you'll be responsible for paying them. We (or a receiver) may also employ and pay agents to undertake some duties.

Action we may take

We have rights to deal with the Property in certain ways if you fail to keep to our Agreement or don't respond to a reasonable demand for immediate repayment.

To protect our position as your lender and the Property as security for the Loan, we (or where relevant, a receiver) may:

- Generally manage the Property, including collecting and receiving rent, arranging repairs and maintenance, ensuring compliance with local authority requirements, arranging or renewing insurance and serving notices under relevant housing legislation;
- Repossess the Property, taking any action or proceedings necessary to do so;

- Sell the Property on such terms as we think fit (always obtaining the best price in the circumstances), whether we have taken possession or not;
- Let or sub-let the Property and vary, renew, terminate, surrender or accept surrenders of leases, tenancies or licences over the Property on such terms as we think fit (including rent and payment);
- Except if the Property is in Scotland, sell any freehold or leasehold reversions; and
- Exercise all the powers and duties current law and best practice give a landlord, on your behalf and without prior notice or consent, without having any resulting liabilities or responsibilities to you.

If we (or where relevant, a receiver) repossess the Property, you must remove all personal items including furniture ("moveable property") from it within seven days. You must not remove any fixed items from the Property without our written agreement.

You agree that we (or where relevant, a receiver) may deal with any moveable property that's not removed within seven days as your agents and at your expense. This includes removing and storing anything that we know does not belong to you; and selling or disposing of anything that does belong to you. We (or where relevant, a receiver) will give you any proceeds received less all expenses of the sale.

If the Property is in England or Wales, the Law of Property Act 1925 ("the 1925 Act") sets out certain rules about the appointment of a receiver and the enforcement of security. Typically, mortgage lenders disapply some of those rules and we do that as follows:

- Section 109(8) of the 1925 Act is amended to allow a receiver to pay any money you owe in the priority order that we and the receiver reasonably agree, rather than a specific order set out in those rules;

Our T&Cs

- Sections 99, 100 and 103 of the 1925 Act set out some specific powers about dealing with a Property, but we or a receiver are able to dispose of the Property in any way we see fit, provided it does not breach our Agreement.

If the Property is in Northern Ireland, the Conveyancing and Law of Property Act 1881 ("the 1881 Act") sets out certain rules about the appointment of a receiver and the enforcement of security. Typically, mortgage lenders disapply some of those rules and we do that as follows:

- Section 24(8) of the 1881 Act is amended to allow a receiver to pay any money you owe in the priority order that we and the receiver reasonably agree, rather than a specific order set out in those rules;

Sections 3, 18 and 20 of the 1881 Act set out some specific powers about dealing with a Property, but we or a receiver are able to dispose of the Property in any way we see fit, provided it does not breach our Agreement.

Please ask your legal adviser if you require further information.

Acting on your behalf

We (or where relevant, a receiver) may take certain action on your behalf to protect our security over the Property. You appoint us (and where relevant, any receiver) to be your attorney for these purposes for as long as the Loan is in force. This means we (and where relevant, a receiver) are legally entitled to act on your behalf.

If there are two or more of you then you agree that we will be attorney for one of you and a person authorised by us will act as attorney for the other(s) as necessary.

As your attorney, the actions we (or where relevant, a receiver) are authorised to carry out include:

- Signing and completing any document to correct any defect in your title to the Property or in the Mortgage Deed;

- Transferring your share or interest in any residents' society or management company, or your legal or beneficial interest in the freehold or leasehold reversion of the Property, when we exercise our powers to sell or lease the Property;
- Entering into any variation of your title to the Property to protect or enhance our security; and
- Where relevant, settling any claim made by your landlord, resident's association management company or commonhold association or your rent charge owner, to reasonably protect our security or maintain its value, even though you may dispute the sum claimed.

Compensation from third parties

In some circumstances, you may be entitled to compensation from a third party, for example:

- For defects or damage relating to the Property or the title to it; or
- For a breach of contract or wrongful act or omission which may have caused damage to the Property or to the title to it.

If you receive such compensation, you may use it either towards repairing the damage or defects or towards payment of the Loan.

Our T&Cs

THE LEGAL STUFF

Applicable law

If the Property is in England or Wales: 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 will be dealt with by the Courts of England and Wales.

If the Property is in Scotland: these T&Cs are governed by the laws of Scotland and if there's any disagreement about them, or between us about your account(s), we each agree that this will be dealt with by the Scottish Courts.

If the Property is in Northern Ireland: these T&Cs are governed by the laws of Northern Ireland and if there's any disagreement about them, or between us about your account(s), we each agree that this will be dealt with by the Courts of Northern Ireland.

Notices

If we have to tell you something we may do so:

- Via the App - e.g. by in-App secure message or via your Vault;
- By SMS to your last known mobile number or by email to your last known email address;
- By post to your last known address.

Notice is considered to be received on the day the message is sent by SMS, email or in-App; or on the second working day after it's sent in the post.

Enforcing our Agreement

If we don't enforce any of our rights under our Agreement, or we delay in doing so, it doesn't mean we've given up those rights.

No person other than a party to our Agreement may enforce any rights under it (where relevant, under the Contracts (Rights of Third Parties) Act 1999), unless we transfer our rights and obligations under the Agreement.

Footer

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

Atom Bank plc is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority and the PRA. Our financial services registration number is 661960.

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