

MORTGAGE CONDITIONS : Second Edition



mbs
LENDING LTD

NOTES TO BORROWERS

(Not forming part of the mortgage conditions)

The mortgage conditions in this booklet set out the standard terms and conditions relevant to the Borrowers mortgage loan. Any special terms and conditions are set out in the details of offer.

It is recommended that the Borrower keep the documents safely together.

If at any time the Borrower has a problem in paying their mortgage they should not hesitate to contact the Lender.

MORTGAGE CONDITIONS : Second Edition

A. DEFINITIONS

In these Mortgage Conditions the words and phrases in bold have the following meanings:

'borrower'	means the person or persons so named in the mortgage or anyone obtaining title from him or them.
'lender'	refers to MBS Lending Ltd and anyone who at any time in the future is entitled to exercise the lender's rights under the mortgage including: a) any transferee b) anyone who is entitled to exercise the lender's rights because of amalgamation or take over, and c) anyone who is entitled to exercise the lender's rights because of a reorganisation of the lender's group.
'transfer'	includes a security over, agreement to sell, legal or equitable assignment or transfer of, trust or charge over or another disposition of the lender's rights under the mortgage .
'transferee'	means anyone who is entitled to exercise any of the lender's rights under the mortgage as a result of a transfer by the lender .
'borrower's account'	means the account which is used to record the money owing from the borrower into which the loan is (or was) put.
'combined payment'	means one of a number of regular payments which are attributable in part to repayment of capital and in part to payment of interest.
'daily interest'	means interest calculated in accordance with condition C.6.
'financial year'	means 1st January to the following 31st December or such other period as the lender notifies the borrower in accordance with condition Q.3.
'further advance'	means any further loan which we make after the initial loan .
'initial loan'	means the loan made at the outset.
'interest rate'	means the rate of interest which at any time is the current rate of interest for the loan .
'loan'	means such amount of the initial loan and/or further advance together with any principal amount outstanding from the borrower to the lender .
'money owing from the borrower'	means the total amount at any time secured by the mortgage .
'monthly payment'	means the sum which the borrower is for the time being liable to remit to the lender under these Mortgage Conditions on each payment day .
'mortgage'	means the relevant mortgage deed.

- 'offer'** means the written offer of advance issued by the **lender** and/or any written offer of **further advance** made pursuant to a **mortgage** and which is made in every case subject to these Mortgage Conditions whether stated or not.
- 'payment day'** means the day in each month appointed by the **lender** as the day on which the **borrower** is to pay the **monthly payment**.
- 'property'** means the land and buildings (including fixtures) named in the **mortgage**.
- 'related rights'** means the various matters listed in condition O.1 (a) – (f)

If there are any inconsistencies between these Mortgage Conditions and any **offer**, the **offer** will take priority.

B. MONEY SECURED BY MORTGAGE

1. The **mortgage** secures the payment of all sums (including any **further advance**) which the **borrower** may be liable to pay under these Mortgage Conditions. Unless otherwise agreed in writing the **mortgage** also secures any other money which may become owing by the **borrower** to the **lender** in any way whatever.
2. The provisions of this paragraph shall not apply to money owing under an agreement which is regulated under the Consumer Credit Act 1974 unless all relevant requirements of that Act have been complied with.
3. If the **initial loan** or any other **loan** has been agreed by the **lender** to be paid by instalments then, subject to any conditions of the agreement, the **lender** accepts (as a term of the **mortgage**) the obligation to pay the instalments.

C. INTEREST

1. The **interest rate** for the **loan** is the rate stated in the **offer** or as varied from time to time under these Mortgage Conditions.
2. Where only part of the **loan** has been made interest will not be charged on the part of the **loan** not yet made.
3. Where interest is payable on unpaid interest, the rate is the same as for the money on which the unpaid interest was charged.
4. The **lender** may keep separate accounts for any part of the **money owing from the borrower**.
5. Where judgement is given for the payment to the **lender** of any sum secured by the **mortgage**, then notwithstanding the judgement, interest will continue to be charged on that sum at the rate applicable to it under these Mortgage Conditions until it is paid.
- 6a. Interest will accrue from day to day and will be calculated and capitalised on the first day of each month
 - i) on the **money owing from the borrower** (including unpaid interest, fees, charges and insurance premiums described in condition 6b.) outstanding on

the last day of the preceding month;

ii) on the amount of any sum advanced or becoming owing by the **borrower** to the **lender** from the date on which it was advanced or became owing;

iii) on the amount of any costs becoming due in relation to the **loan** from the date they became due.

6b. Where

i) interest is payable by the **borrower** and it is not paid by the last working day of the month in which it fell due for payment, then interest will be charged at the **interest rate** on the unpaid amount from the date payment became due.

ii) any sums are payable by the **borrower** to the **lender**, for building or contents insurance or for mortgage payment protection insurance and those sums are not paid, interest will be charged on the unpaid amount from the following month at the **interest rate**.

6c. The **lender** will debit interest on the **borrower's account** at the start of the first day of each month.

7. The **lender** may at any time give reasonable written notice in advance to the **borrower** specifying a period for the charging of interest which is shorter than a year. When such notice is given then, with effect from the beginning of the first specified period after the notice is given:-

a) interest will be charged in each such period on all money (including unpaid interest) which the **borrower** owes to the **lender** at the beginning of the period; and

b) references to a **financial year** in these Mortgage Conditions shall be read as references to the period specified in the notice given under this condition.

8. Unless the **offer** states otherwise, interest accruing in the month in which the loan is made must be paid with the **monthly payment** which falls due in the following month.

9. Interest accrues from day to day but must be paid by equal monthly instalments during the **financial year**. For this purpose each month will be treated as an equal twelfth part of the year.

D. INTEREST RATE CHANGES

1. The **lender** may change the **interest rate** applying to the **money owing from the borrower** where it is reasonable to do so because of any of the following circumstances:-

a) to reflect a change which has occurred, or which the **lender** reasonably expects to occur, in the Bank of England base rate, or interest rates generally;

- b) to reflect a change which has occurred, or which the **lender** reasonably expects to occur, in cost of the funds the **lender** uses in its mortgage lending business;
 - c) to reflect a change which has occurred, or which the **lender** reasonably expects to occur, in the interest rates charged by other mortgage lenders;
 - d) to reflect a decision or recommendation made by, or a requirement of, a court, ombudsman, regulator or similar body;
 - e) to reflect changes in the law, codes of practice or the way the **lender** is regulated;
 - f) to reflect changes to the way the **property** is used or occupied.
2. If the **interest rate** is increased the **lender** will send written notice of the increase to the **borrower** no less than 14 days prior to the first **payment day** on which the **monthly payment** is due at the increased **interest rate**.
 3. Where the whole or any part of the **interest rate** is agreed to be linked to another rate of interest for any period, and the other rate is one which is outside the control of the **lender**, paragraph 1 above shall not apply to the **interest rate** (or to such part of it as is linked to the other rate). In any such case the **interest rate** (or the relevant part of it) will change automatically, to match changes in the rate to which it is linked and any change will take effect from the first day of the following month.
 4. The **borrower** and the **lender** may agree in writing to change all or any of the interest rates.

E. MONTHLY PAYMENTS

1. The **borrower** will repay to the **lender** with interest the **loan** and all other money secured by the **mortgage** by making payments to the **lender** on each **payment day**. Except where paragraph 6 applies to the whole of the **money owing from the borrower**, the payment will be a **combined payment**.
2. The **combined payment** and the **monthly payment** will be the same and will be calculated by the **lender** in such a way as to ensure that (assuming that no further money becomes owing from the **borrower** and that the **interest rate** or rates stay the same) the amount owed by the **borrower** is repaid with interest within the agreed period set out in the **offer**.
3. The amount of the **monthly payment** may be changed by the **lender** (but the **lender** is not obliged to make any change at once or at all) to take account of changes in any of the following:-
 - a) the amount of the **money owing from the borrower**;
 - b) the **interest rate** or rates;
 - c) the amount of insurance premiums; or
 - d) notice being given to the **borrower** under condition C.7.

4. The **lender** and the **borrower** may change the amount of the **monthly payment** by written agreement.
5. If the **lender** changes the amount of the **monthly payment** then it will send written notice to the **borrower** setting out details of the future payments including when the change in the **monthly payment** becomes effective, which cannot be earlier than the next **payment day**.
6. If the **borrower** has agreed that repayment of the capital element of the whole or any part of the loan will not be included in the **monthly payment** during any period, then for that period the **lender** will calculate the **monthly payment** accordingly.
7. The **monthly payment** may be rounded up by the **lender** but not to more than the nearest one pound above.
8. If the **monthly payments** are not paid in full when they fall due then the **lender** will be entitled to appropriate any payments received first in the discharge of the arrears and current interest and, thereafter, in reduction of the capital balance owing from the **borrower** to the **lender**.
9. If the **property** is sold and the net proceeds of sale are not sufficient to pay all sums due to the **lender** under the **mortgage** and these conditions the **borrower** shall pay the shortfall to the **lender** with interest at the **interest rate** until payment.

F. INSURANCE OF THE PROPERTY

1. The **borrower** must make sure that at all times the **property** is insured against fire and any other risks the **lender** considers appropriate for an amount not less than the full reinstatement value (index linked and reviewed annually) which is the amount it would cost from time to time to rebuild the buildings upon the **property** including all professional fees.
2. The **borrower** undertakes with the **lender** to ensure that the interest of the **lender** as Mortgagee of the **property** is noted on the policy and that the policy of insurance may neither be avoided by the insurers nor lapse without insurers giving written notice to the **lender**.
3. The **borrower** must give a copy of the policy of insurance and any receipts for premiums to the **lender** upon request.
4. If the **borrower** receives any money from the insurers of the **property** the **borrower** must hold such money on trust for the **lender** and if required by the **lender**, pay such money to the **lender** (unless the **lender** permits the **borrower** to keep all or some of it). The **lender** shall use such money as it considers appropriate:-
 - a) to repair or rebuild the **property**, or
 - b) reduce or repay the money owing to the **lender** from the **borrower**, or
 - c) a combination of both.

5. If the **lender** believes the **borrower** has not insured the **property** or that the amount or type of cover set up by the **borrower's** insurers is inadequate or if the policy is cancelled or lapses the **lender** may exercise the right to insure the **property** with an insurer of the **lender's** choosing and against such risks as the **lender** may consider appropriate. All premiums paid by the **lender** for such insurance shall be debited to the **borrower's** mortgage account and interest thereon shall be charged on a daily basis.
6. If circumstances give rise to a claim under any policy effected by the **lender** pursuant to clause 5 then the **lender** will be entitled to agree with insurers the amount payable under such policy and any sums received from insurers shall be used by the **lender** as it considers appropriate for the purposes set out in condition F.4.

G. PAYMENT DAYS AND METHOD OF PAYMENT

1. The first payment will be as notified by the **lender** to the **borrower** and any subsequent **payment day** will be the same date in each month or the last day in any month where there is no corresponding date.
2. Unless otherwise agreed, the **lender** will have the right to require any **monthly payment** to be paid by any method it considers reasonably appropriate.

H. CHARGES

1. The **lender** is entitled to make changes in respect of:-
 - a) any default or neglect by the **borrower** of his duties, or
 - b) carrying out tasks outside the normal servicing of the **mortgage** or the **loan**, or
 - c) the provision of the **lender's** services, or
 - d) any costs or expenses incurred by the **lender** (whether or not by way of legal proceedings) in protecting, preserving or enforcing the **mortgage**.
2. These charges may include (but not be restricted to) the expenses incurred by the **lender**, the cost of staff time, the use of office and computer facilities and the charges set out in the **lender's** tariff of charges from time to time.
3. The **lender** will be entitled to debit such charges to the **borrower's account** with interest at the rate payable from time to time.
4. The **lender** can change the charges it makes at any time. Changes may include the abolition of, or amendment to, existing charges, or the introduction of new charges. They may be made where it is reasonable to do so including (but not limited to) any of the following circumstances:-
 - a) to reflect changes in the costs that the **lender** incurs in carrying out the relevant activity;
 - b) to reflect the costs of the activity and the charges for similar activities made by other mortgage lenders;

- c) to reflect changes which the **lender** may make in the activity it carries out or the service it provides, or to provide new services;
- d) it is necessary to maintain the **lender's** financial strength in the interests of all its customers;
- e) to reflect a decision or recommendation made by, or a requirement of, a court, ombudsman, regulator or similar body;
- f) to reflect changes in the law, codes of practice or the way the **lender** is regulated.

I. TRANSFER OF LAND SUBJECT TO MORTGAGE

1. A **borrower** may, subject to these conditions and the **lender's** consent (on which the **lender** may impose conditions), sell or otherwise transfer the **property** subject to the **mortgage**.
2. Upon such a sale or transfer, the **borrower** must pay to the **lender money owing from the borrower** (or such lesser amount as the **lender** may decide).
3. The purchaser or transferee shall, from the date of the transfer, become answerable to the **lender** for all liabilities arising under the **mortgage**. If so, the **lender** may release the **borrower** at the **borrower's** expense. The transferee shall not be registered in the **lender's** records nor will the **borrower** be released from his obligations to the **lender** unless:-
 - a) the requirements of conditions I.1. and I.2. above have been fulfilled, and
 - b) the deed by which the land has been transferred and such further deeds, if any, as the **lender** may require have first been approved by or on behalf of the **lender**, without costs to the **lender**, and
 - c) such deed or deeds have been deposited with the **lender**.

J. REPAYMENT OF MORTGAGES

1. Subject to conditions J.2. and J.3. below, the **borrower** may repay to the **lender** all **money owing from the borrower** at any time and must pay interest (in the case of loans where interest is calculated on a daily basis) up to the day of repayment but otherwise until the last day in the month in which the money (and any outstanding interest, or costs and expenses) is repaid in full.
2. Early repayment charges applicable to the **loan** will be set out and determined by the **offer**.
3. The **lender** may release from the **mortgage** any part of the **property** if it is satisfied that the remainder will form adequate security for the **money owing from the borrower**.

K. LENDERS RIGHTS AND REMEDIES

1. The **borrower** will be entitled to possession of the **property** unless any of the following events happen:-
 - a) the **borrower** fails to pay a **monthly payment** in full within two months after the **payment day** for that **monthly payment**;
 - b) the **borrower** fails to keep one of his other duties;
 - c) the **borrower** (or one of the **borrower**) or a guarantor becomes bankrupt;
 - d) the **property** is compulsory purchased or requisitioned;
 - e) the **property** or any part is damaged and in the **lender's** opinion the value and the **lender's** security is lowered;
 - f) the **lender** becomes aware of any misrepresentation in the information supplied to the **lender** by the **borrower** (or on behalf of the **borrower**) when the **borrower** applied for the **loan** which would have affected the **lender's** decision to make the **loan**;
 - g) any of the **borrower** (or one of the **borrower**) dies.

When the **lender** will be entitled to possession of the **property**, the whole of the **money owing from the borrower** will become payable immediately and the powers to sell or appoint a receiver in Section 101 of the Law of Property Act 1925 will be exercisable by the **lender** but without restrictions in Section 103 of that Act.

2. For the purposes of Section 101 of the Law of Property Act 1925, the **money owing from the borrower** will become due on the first **payment day** after the date of the **mortgage**.
3. The **lender** may give written notice to the **borrower** a reasonable time beforehand that the **lender** intends to arrange for an employee or agent to inspect the **property** on a certain date and the **borrower** must make arrangements for access to the **property** for the inspection.
4. At anytime the **lender** may do any of the following:-
 - a) do repairs or other work to the **property** as the **lender** considers appropriate to maintain or improve the **property**;
 - b) complete any building works which have been started;
 - c) do anything else the **lender** (acting reasonably) considers should be done in order to protect the **property** or the **mortgage** including paying any unpaid rent, service charge or other sum whether or not the **borrower** disputes its payment.
5. If the **lender** is entitled to possession of the **property** it may do any of the following:-
 - a) let or agree to let the **property** for any length of time and on such conditions as the **lender** considers appropriate;

- b) manage the **property** including collecting rent and accepting surrenders of leases;
 - c) apply all of any of the rent received from a tenant of the **property** towards the **money owing from the borrower** even though part of the rent may be for the use of furniture or equipment;
 - d) vary the terms of, end, review or accept the surrender of leases or tenancies over the **property**;
 - e) exercise the **lender's** right to sell the **property** (free of the restrictions in Section 103 of the Law of Property Act 1925) and appoint a receiver.
6. If the **lender** takes possession of the **property** then the **lender** will be agent of the **borrower** for the purpose only of removing and disposing of any furniture, goods or animals on the **property**, and will account to the **borrower** for any net proceeds of such disposals.
 7. Although the **lender** shall appoint a receiver and settle his pay (which the **lender** may agree with him without observing any restrictions on such pay contained in the Law of Property Act 1925), the receiver shall be agent of the **borrower** and the **borrower** shall be responsible for his actions at all times and his expenses shall form part of the **money owing from the borrower**. The receiver will have all the powers given under the Law of Property Act 1925 to a receiver and all powers given to the **lender** by these Mortgage Conditions. The receiver shall also be entitled to exercise in relation to the **property** and any other security for the **money owing by the borrower** all of the powers of an absolute beneficial owner.
 8. Any money that the receiver collects will be applied in the following order:-
 - a) to pay the receiver's costs and expenses;
 - b) to pay off any liabilities incurred by the receiver on behalf of the **lender** or the **borrower**;
 - c) to pay off **money owing from the borrower**; and
 - d) any surplus after these will be paid to the person entitled to it and Section 109(8) of the Law of Property Act 1925 shall not apply.
 9. The **lender** may give up possession of the **property** or remove a receiver it has appointed by giving written notice to the **borrower**.
 10. The **lender** may refuse to allow the **borrower** to redeem the **mortgage** without the **borrower** at the same time redeeming any other mortgage to the **lender** on other property belonging to the **borrower**.
 11. The provisions of this paragraph shall not apply to money owing under an agreement which is regulated under the Consumer Credit Act 1974 unless all relevant requirements of that Act have been complied with.

L. THE LENDER'S POWER TO TRANSFER

1. The **lender** can make a **transfer** at any time.
2. The **borrower** has consented to any **transfer** in the **borrower's** application form and by signing the **mortgage**. The **lender** can make a **transfer** without giving notice to the **borrower** and any further consent from the **borrower**.
3. The **lender** may provide to any actual or potential **transferee** of the **mortgage** any information or papers about the **borrower**, the **mortgage**, the **property** and any other security held by the **lender** or the conduct of the account between the **borrower** and the **lender**.
4. If the **lender** makes a **transfer**, the **transferee** can exercise the **lender's** rights and enforce the **borrower's** (and any guarantors) obligations to the same extent as the **lender** could before the **transfer**.

M. BORROWERS DUTIES

1. All obligations on the part of the **borrower** (where more than one) under the **mortgage** are joint and several.
2. The **borrower** must:-
 - a) punctually pay to the **lender** each **monthly payment** on the **payment day** and any other money which is payable by the **borrower** to the **lender** including insurance premiums on the due date;
 - b) complete without delay any buildings being erected and any works specified as a condition of the **loan**;
 - c) keep the **property** in good repair and condition;
 - d) pay to the **lender** on a full indemnity basis the costs incurred by the **lender** for the preparation and completion of the **mortgage**, the protection, preservation or enforcement of the **mortgage** (whether or not involving court proceedings), and any expense incurred by the **lender** by reason of any breach of any of the **borrower's** duties;
 - e) comply with the conditions of any consent or concession given to the **borrower** under these conditions;
 - f) punctually pay all rent and other outgoings which are payable in respect of the **property**;
 - g) comply with all restrictions and requirements affecting the **property**;
 - h) inform the **lender** of anything which might prejudicially affect the insurance or value of the **property**;
 - i) send to the **lender** a copy of any notice or order served either by the landlord or by a local authority or competent authority;

j) inform the **lender** of any notice served under the Leasehold Reform Act 1967 or the Leasehold Reform Housing and Urban Development Act 1993 (or any replacement or similar Acts) and the **borrower** must also execute in favour of the **lender** a charge by way of legal mortgage of the freehold of any new lease of the **property** obtained under those Acts (or any replacement or similar Acts).

3. Unless otherwise agreed by the **lender** in writing the **borrower** must not:-
 - a) let or part with possession of the **property** or any part of it;
 - b) make any alterations to the **property** or cause any damage to it which may lower its value;
 - c) change the use of the **property**;
 - d) give any person rights or create another **mortgage** over the **property**.
4. Anything to be done by the **borrower** must be done at his own expense.
5. If the **property** is leasehold the **borrower** must not give up, surrender, vary or extend the lease without the **lender's** approval.

N. INTEREST ONLY MORTGAGES

1. If the **borrower** has an interest only mortgage it is his responsibility to ensure that an appropriate repayment vehicle is in place and to check that it is on target to repay the amount of the **loan**.
2. If the **borrower** has an endowment policy, the insurer will indicate whether the policy is on target. If it indicates a potential shortfall, the **borrower** has a number of choices to consider depending on his individual circumstances. The FSA leaflet "Your mortgage endowment: have you acted yet?" (from the FSA leaflet line on 0845 456 1555) gives more information about why the **borrower** needs to act now and his options.
3. If the **borrower** needs another type of repayment vehicle, he will not automatically receive information about whether it is on target to repay the **loan**. The **borrower** may be able to get further information by approaching the product provider. If the **borrower** remains in doubt about the position of his repayment vehicle, he should seek advice.
4. The **lender** cannot provide information to assess whether there is a potential shortfall but the **lender** may be able to help the **borrower** with information about options explained in the FSA leaflet, such as switching to part repayment.
5. If the **borrower** does not regularly review the savings plans which he maintains for the purpose of repaying the **loan**, it is possible that the value of these will not be sufficient to repay the amount that was expected when the plan was taken out.

O. RELATED RIGHTS

1. The **borrower** assigns to the **lender** (but subject to redemption) the following:-
 - a) any option to purchase the freehold or superior lease or a new lease;
 - b) any right to receive money which becomes payable in respect of the **property** or any damage to or depreciation of the **property** including (but not limited to) insurance proceeds and money payable for mining subsidence or compulsory purchase;
 - c) any share or membership rights in a resident's association or management company relating to the **property**;
 - d) any guarantees or insurances relating to all or any part of the **property** including guarantees for work done to the **property**;
 - e) any additional security for the **money owing from the borrower**;
 - f) any other benefit or right of any sort concerning the **property** or its construction or the title to the **property** or the **money owing from the borrower**.
2. The **borrower** will hold any **related rights** in trust for the **lender**.
3. The **borrower** appoints the **lender** (and any receiver the **lender** appoints) to be his attorney to secure the **lenders** interest in the **property** and to deal with the **related rights** as the **lender** considers appropriate.
4. The **lender** (and any receiver the **lender** appoints) will be entitled in particular to do any of the following whether assignee or attorney of the **borrower**:-
 - a) serve any notice or counter notice on any third party;
 - b) take any steps to preserve, perfect or improve any security intended to ensure the repayment of the **money owing from the borrower** or any **related right**;
 - c) agree the amount of any money payable or work to be done;
 - d) sell, manage or **transfer** the **property** or any **related right**;
 - e) receive any money payable in respect of the **property** or any **related right**;
 - f) execute any appropriate documents on behalf of the **borrower** for the repayment of the amounts owed to the **lender**;
 - g) do anything which the **borrower** is required to do under these Mortgage Conditions if the **borrower** fails to do so.
5. Any money paid to the **lender** for a **related right** must be used by the **lender** to reduce or repay the **money owing from the borrower**.
6. The **lender** will not be liable for anything which is done under the Power of Attorney unless the **lender** failed to use reasonable care in exercising the power.
7. The Power of Attorney given to us in this condition will subsist until the **money owing from the borrower** is repaid in full.

P. NOTICES

1. Any notice to be given to the **borrower** by the **lender** will be presumed to have been received 72 hours after it is sent by prepaid postage (regardless of the class of post) addressed to the **borrower** at the **property** or the latest address given by the **borrower** to the **lender**.
2. If the **lender**, accidentally, fails to:-
 - a) send to the **borrower** a communication intended for the **lender's** borrowers generally or a category of the **lender's** borrowers of which the **borrower** is one,
or,
 - b) display a notice at its principal office or any branch office, this will not make the notice invalid.
3. Any notice to be given to the **lender** must be sent to the principal or registered office of the **lender**.

Q. MISCELLANEOUS

1. The **lender** may by written notice to the **borrower**:-
 - a) suspend payment of any capital or interest;
 - b) waive payment of any capital or interest;and the **lender** may do either for a particular period or subject to such conditions as the **lender** considers reasonably appropriate.
2. The **lender** may by written notice to the **borrower**:-
 - a) relieve the **borrower** from compliance with any obligation under these Mortgage Conditions;
 - b) release any security.
3. The **lender** may on giving reasonable notice in advance to the **borrower**:-
 - a) change the date of the **payment day**;
 - b) change the method of payment of **monthly payments**;
 - c) change the dates of the **financial year**.
4. The **borrower** and the **lender** may by written agreement change any of the following:-
 - a) the method of (including frequency of) calculation of interest;
 - b) the method of calculation of **monthly payments**;
 - c) the frequency of payments.
5. If the amount to redeem the **mortgage** is incorrectly calculated and that amount is paid to the **lender** then despite any receipt given, the **borrower** (and the **lender**) will be liable to pay (or repay as the case may be) the difference between the amount paid and the amount which should have been paid.



MBS Lending Ltd
Leicester Road
Melton Mowbray
Leicestershire
LE13 0DB

MBS Lending Ltd is authorised and regulated by the Financial Services Authority.