

NEXTGEN100 MORTGAGE FAMILY/FRIEND DEPOSIT HOLDER DECLARATION

Mortgage reference

Borrower(s)

Property

 Postcode/Zip Code
 Country

Deposit holder name(s)

Important information

This Declaration must be signed and returned to us with the applicable mortgage offer letter. We will not proceed to complete or draw down the mortgage unless this Declaration has been received.

1. Purpose of declaration

This Declaration together with our General Terms and Conditions confirms the terms on which you are placing funds with us in connection with the NextGen100 Mortgage (the '**Mortgage**'). In the event of any inconsistency between the terms of this Declaration and our General Terms and Conditions, the terms of this Declaration shall prevail to the extent of that inconsistency only.

2. Deposit arrangement

You agree to place a sum equal to 5% or 10% (the higher amount for new build properties) of the property purchase price into a Fixed Deposit Contract with us for a period of 5 years (the '**Deposit**'). You must have a Gold Account with us in order to enter into the Fixed Deposit Contract. All interest accruing from the Fixed Deposit Contract and the principal amount will be paid into your Gold Account.

The Deposit will be held by us as a condition of the Mortgage.

We will take a formal security interest over the Deposit, and you will be required to execute a Security Interest Agreement. We may register that Security Interest Agreement on the Security Interests Register maintained by the Jersey Financial Services Commission.

3. No guarantor obligation

You are not acting as a guarantor for the Mortgage, and you are not personally required to make Mortgage payments.

You understand that in the circumstances described in Section 6, we may use some or all of the Deposit towards money owed to us in connection with the Mortgage.

4. Access to funds

You will not be able to withdraw or access the Deposit during the 5 year fixed term. We will place a block over your Gold Account so that at maturity you will only be able to access or withdraw the Deposit (and interest on it) with our consent.

5. Interest

Interest will be paid on the Deposit in accordance with our General Terms and Conditions.

6. Terms of return of the Deposit

At the end of the 5 year Fixed Deposit Contract term, the Deposit will be returned to your Gold Account, and we will remove the block on that account provided that:

- o The Mortgage has been conducted in accordance with its terms
- o There are no outstanding amounts due in connection with the Mortgage; and
- o The loan to value of the Mortgage is 95% or less at that time

If these conditions are not met, we will continue to hold the Deposit, and your associated Gold Account will continue to be blocked until these conditions are satisfied. The Security Interest Agreement will also continue until all conditions are satisfied.

7. Deposit maturity and your responsibility

At the end of the 5 year fixed term, the Deposit principal and interest earned will be repaid to your Gold Account. Providing that the relevant terms (as set out in Section 6) have been met, we will remove the block from your Gold Account, and you can access your funds accordingly.

If the relevant terms (as set out in Section 6) have not been met and the block on your Gold Account remains in place, we will continue to hold the Deposit in connection with the Mortgage but you can choose to place these funds into another savings account with us while the block remains in place.

Where the Mortgage product is a 10 year term, the Deposit funds will still be repaid to your Gold Account at the end of the 5 year fixed term. Providing that the relevant terms (as set out in Section 6) have been met, we will remove the block from your Gold Account. If you wish to place these funds into a new deposit product with us, you will need to provide us with your instructions.

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8. Application of deposit and control of funds

You agree that the Deposit is placed with us in connection with the Mortgage and as a condition of the Mortgage.

You understand and agree that you will not be entitled to withdraw, transfer, assign or otherwise deal with the Deposit during the 5 year term, except with our consent.

You agree that at the maturity of the 5 year term or at any later date, if the relevant terms (as set out in Section 6) have not been met, we may enforce our security interest over the account in which your Deposit is held and apply some or all of the secured funds towards the sums due under the Mortgage. This may include any outstanding balance, arrears, fees, costs or losses arising in connection with the Mortgage.

9. Risk warning

You understand that you may lose some or all of your Deposit if the Borrower does not meet their Mortgage obligations.

10. Independent legal advice

We recommend that you seek independent legal advice before entering into the arrangements described herein.

Declaration and signatures



Scan this QR code to access our General Terms and Conditions which are referenced below.

I confirm that:

- I have read and understood this Declaration.
- I have received and accept the General Terms and Conditions, which are available by scanning the QR code above, and agree to also be bound by any subsequent amendments advised to me by the Bank from time to time.
- I understand the risks associated with providing this Deposit.
- I agree to the terms set out above.
- I have received the Standard Mortgage Terms and Conditions (applicable as between the Borrower and us).
- I have received the Mortgage Offer (applicable as between the Borrower and us).

Deposit holder 1

Name

Signature

Date

D	D	M	M	Y	Y	Y	Y
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Deposit holder 2

Name

Signature

Date

D	D	M	M	Y	Y	Y	Y
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For office use only

Enclose the following documents with this declaration:

- o Standard Mortgage Terms and Conditions
- o The Mortgage Offer

ALL LENDING IS SUBJECT TO STATUS AND/OR LENDING CRITERIA.

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