SECURED LOAN OFFER IN PRINCIPLE

of (the "Lender")

Offer Letter Dated: 02 March 2011 **Account No.**

To: The "Borrower(s)"

Mr OF AND OF

is willing to advance to you the Loan Facility on the Terms & Conditions set out below and overleaf.

Signed for and on behalf of the Lender...

Financial and Related Particulars

A	Loan Facility		£58,530.00
B	Title Insurance		£250
C	Borrower's Broker's Fee		£0
D	Acceptance Fee		£1170
E	Solicitor's costs		£588
F	Total Loan Facility (Total of A to E)		£60,538.00
G	Rate of interest per month	Currently variable rate is 1.75% per month. There will be a discount of 0.55% per month for 6 months giving an initial rate payable of 1.20%. When the discount rate period ends we will charge interest on the balance outstanding at our current variable rate (assuming there is no changes to the variable rate), for the remaining term.	1.75%
H	Term (in months from drawdown of the Total Loan Facility)		12 months
I	Repayment of Total Loan Facility	Subject to 11 overleaf, the Total Loan Facility must be repaid no later than the end of the Term shown in H above.	
J	Anticipated number, amount and timing of payments of interest	6 monthly payment(s) of £726.46 followed by 5 monthly payment(s) of £1,059.42 and a final monthly repayment (which includes any Exit Fee) of £61,597.42. The first monthly payment is payable one month after draw down of the Total Loan Facility, then on the same date in each month or on the last day of any month which does not contain a corresponding date.	
K	Exit Fee payable on settlement of the agreement £0.00 (see 7 and 8 overleaf).		
L	A monthly Facility Fee payable on repayment of the Total Loan Facility. This will not be charged if there are no arrears of interest or any other breach of the Terms and Conditions of the Agreement or the Mortgage Conditions, at any time during the term of the agreement (see 7 and 8 overleaf).		1.00%

M As security for money that the Borrower will owe the Lender under the agreement the Borrower will give the Lender a mortgage (in Scotland a Standard Security and/if in Northern Ireland a Mortgage Deed) (the "Security") over the freehold/leasehold/heritable property known as:

Title No(s) (the "Property"). If the terms of the agreement and of the Security conflict the terms of the agreement shallprevail.

N By signing the agreement the Borrower requests and authorises the Lender:

(i) if the Security is not to be a first mortgage, to pay any prior mortgage arrears;

(ii) if the Property to be mortgaged is leasehold, to pay any rent, service charge or other sums owed by the Borrower which, if not paid, may result in the Borrower losing the Property;

(iii) if the loan does not proceed for any reason whatsoever the Borrower will pay to the Lender upon written demand the following sums:-

a. the fees set out in C and D above;

b. all costs, liabilities and expenses properly suffered or incurred by the Lender in connection with the negotiation, preparation, execution and administration of the agreement on a full indemnity basis and/or any sums incurred by the Lender or their professional advisers in connection with this agreement.

c. All costs, liabilities and expenses properly suffered or incurred by the Lender in connection with the agreement and the enforcement of any rights of the Lender against the Borrower in respect of the agreement on a full indemnity basis.

These payments will be made by the Lender on the Borrower's behalf by taking them from the Loan Facility and the Borrower understands and agrees that part of the money borrowed by the Borrower from the Lender will be used for this purpose. The Lender will also deduct the Acceptance Fee and the costs, charges and expenses referred to in 2(b)(i) overleaf (the Lender will, on request prior to drawdown of the Total Loan Facility, advise the Borrower how much these are) from any draw down of the Total Loan Facility.

O In signing the agreement the Borrower declares and warrants that:

(i) the Borrower has read and understood the terms and conditions of it including those overleaf and has been recommended by the Lender to take independent (and, where there is more than one person borrowing, separate) legal or other appropriate professional advice on the contents of the agreement and in respect of the transaction generally; and

(ii) the Borrower will be able to afford to repay the Total Loan Facility as set out in I above and to make the monthly payments of interest as shown in J (oras varied under 5 overleaf), together with any first mortgage payments if the agreement is secured by a second mortgage.

The Borrower acknowledges that the Lender relies upon these declarations and warranties made by the Borrower when lending the Total Loan Facility.

P The Borrower acknowledges that the Lender may refuse to allow the Borrower to draw down the Loan Facility without giving any reason and without any liability on the part of the Lender to reimburse the Borrower any costs or liabilities that the Borrower may have incurred in reliance on the agreement in relation to the Property, the Security or otherwise.

Declaration for exemption relating to businesses (sections 16B and 189(1) and (2) Consumer Credit Act 1974)

I am/We are entering this agreement wholly or predominantly for the purposes of a business carried on by me/us* or intended to be carried by me/us.**

I/We understand that I/we* will not have the benefit of the protection and remedies that would be available to me/us* under the Consumer Credit Act 1974 if this agreement were a regulated agreement under that Act.*

I/We understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the creditor and the debtor is unfair to the debtor.***

I am/We are aware that, if I am/we are* in any doubt as to the consequences of the agreement not being regulated by the Consumer Credit Act 1974 I/we should seek independent legal advice.*

** Delete as appropriate*

Additional Offer Conditions

All Offers are made strictly subject to valuation, client status, affordability and review of the case by the Lender. Please sign and date this Offer to confirm your acceptance and return it to the Lender at the above address within 14 days.

Signature(s) of Borrower(s)	[signature]	[signature]	....	4/3/2011
Date(s) of signature(s)	4/3/2011	4/3/2011	....	....