

**HSBC UK Bank plc**

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**MORTGAGE DEED CONDITIONS  
NORTHERN IRELAND  
(2018 edition)**

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**Mortgage Deed Conditions filed at Land Registry of Northern Ireland**

Mortgage Deed Conditions - Northern Ireland (2018)

## HSBC UK Bank plc

### Mortgage Deed Conditions Northern Ireland (2018 edition)

Your agreement with HSBC UK Bank plc for your Mortgage consists of the Legal Mortgage which you sign and which incorporates these Mortgage Deed Conditions.

Where the Debt is in your name, your agreement with HSBC UK Bank plc for your Debt will also be set out in the documentation for the offer of a loan made to you (as the same may be varied, supplemented or replaced from time to time).

#### Interpretation

- 1
  - (a) "Act" means the Conveyancing and Law of Property Act 1881.
  - (b) "Assets" means anything and everything charged, assigned or transferred by the Mortgage as described in clause 1 of the Legal Mortgage (and for the avoidance of doubt includes the Property).
  - (c) "Borrower" (which shall additionally have the meaning set out in paragraph 3 of these Conditions) means all and any person (if any) named in the Legal Mortgage as the borrower.
  - (d) "Conditions" means these Mortgage Deed Conditions (2017 edition).
  - (e) "Debt" means the Debt as defined in clause 2 of the Legal Mortgage.
  - (f) "Mortgage" means the deed of Legal Mortgage you sign in favour of the Bank which incorporates the Conditions.
  - (g) "Property" means the whole or any part of the Property described in the Legal Mortgage (including all buildings, fixtures and fittings on the Property now, or at any time after the date of the Mortgage) and any interest that you have in the Property or the sale proceeds of it.
  - (h) "the Bank" means HSBC UK Bank plc and any person who is entitled at any future date to exercise all or any of the Bank's rights under the Mortgage.
  - (i) "you" means the person signing the Legal Mortgage. Words such as "your" and "yours" should be read in this way. If there is more than one of you, the Mortgage applies to each of you individually as well as jointly. This means that if you or any of you fail to comply with any of the obligations under this Mortgage, the Bank may enforce the obligations under the Mortgage against all or any of you.
- 2 In the Mortgage:
  - (a) the headings are used for guidance only;
  - (b) any reference to a person includes a body corporate;
  - (c) any reference to any statute, or any section of any statute, includes reference to any amendment, re-enactment or replacement of it for the time being in force; and
  - (d) references to the singular include the plural and vice versa.

#### The Borrower

- 3
  - (a) If there is more than one person named as Borrower in the Mortgage, the Mortgage will secure the Debt of them jointly and each of them individually and of all or any of them with any other person.
  - (b) If the Borrower comprises a partnership or trustees of a trust ( and if described in the Mortgage as trustees of a trust ) the Borrower includes all persons from time to time being partners in that partnership or from time to time being trustees of that trust even though there may be:
    - (i) any change in constitution or name of that partnership or trust;
    - (ii) any amalgamation with any other person; or
    - (iii) any death, retirement or addition to any of the partners or trustees.

#### Management Companies

- 4 If you are a member of, or hold shares in a limited company for the Property (for example, a management company for the Property), you must deposit any share or membership certificate(s) with the Bank together with a corresponding signed and undated share or membership transfer form(s). This will enable the Bank to ensure that any future purchaser of the Property can become a member of any such limited company.

#### What you agree in relation to the Property

##### Insuring the Property

- 5 You must insure the Property and (in the case of business premises) any plant and machinery on it, against all usual risks with an insurer to its full replacement value and in accordance with any specific requirements that the Bank has separately notified to you where applicable, as follows:
  - (a) the policy must remain in force until the Mortgage is released;
  - (b) you must pay all premiums immediately they become due;
  - (c) you must inform the insurer and ask them to note on the policy the interest of the Bank, or if the Bank reasonably requires, the policy must be held in the joint names of you and the Bank;
  - (d) if the Bank requires, you will produce to, or deposit with, the Bank the policy and the receipts for all premiums and other payments made under the insurance;
  - (e) you must not do anything which adversely affects any insurance or which may increase the premium;

You agree that all money at any time payable under any policy must be paid to the Bank or where it is not paid to the Bank will be held on trust for the Bank. You agree that you will instruct the Bank to apply this money either to:

- (i) make good the insured damage as may be required to ensure that there is no reduction in the value of the Property; or
- (ii) pay off or reduce the Debt; or
- (iii) a combination of both (i) and (ii).

If you do not give an instruction within a period of one month of a request by the Bank, the Bank may, acting reasonably, elect which of the above options should be adopted. If the Bank receives insurance money, it will hold this money in an account in the joint names of you and the Bank until the Bank receives instructions from you or makes an election in accordance with this paragraph.

- 6 You must notify the Bank as soon as possible following any event leading to, or likely to lead to, a claim on any policy of insurance relating to the Property.

#### **Looking after the Property**

- 7
- (a) You must put and keep the Property and any plant and machinery on it in good repair and condition.
  - (b) You must not neglect the Property or do anything else to reduce its value.
  - (c) You must not, without the Bank's written consent:
    - (i) pull down or remove the whole or any part of any building or remove or detach any fixture or fitting; or
    - (ii) remove or detach any plant or machinery which belongs to, or is used by, you at the Property (except for replacement or repair).
  - (d) If you, or anyone else, removes or detaches any fixture, fitting, plant or machinery or, if any is destroyed or damaged, you must immediately replace or repair it with one of the same or better quality where not doing so would reduce the value of the Property.
  - (e) Nothing in this paragraph requires you to make good damage which is insured where the Bank has received and applied the insurance proceeds other than in making good that damage.

#### **Use of the Property**

- 8
- (a) You must not without the prior written consent of the Bank:
    - (i) carry out any development that requires planning permission from your local planning authority; and/or
    - (ii) make or allow any change of use from the use authorised by the local planning authority for the Property as at the date of the Mortgage.
  - (b) You must carry on any trade or business carried on at the Property in accordance with standards of good management current from time to time in the trade or business and in accordance with the use authorised by the local planning authority for the Property.
  - (b) You must carry on any agricultural use of the Property in accordance with standards of good farming current from time to time.

#### **Your other responsibilities**

- 9
- (a) You must comply with all statutory and other obligations affecting the Property from time to time.
  - (b) You must immediately pay all rent and service charges and comply with all obligations under any lease of the Property.
  - (c) If the Bank reasonably requires, you must produce evidence sufficient to satisfy the Bank that you have complied with (a) and (b) above.
  - (d) You must comply with all statutory and other regulations affecting the Property.
  - (e) If you receive or become aware of any notice or proposal affecting the Property or its neighbourhood:
    - (i) you must inform the Bank immediately; and
    - (ii) if the Bank reasonably requires, you must at your own cost either take all reasonable and necessary steps to comply with the notice or proposal or join with the Bank in making objections or representations.

#### **Inspection and valuation of the Property**

- 10 You will allow the Bank, its agent or surveyor or any person authorised by it, to enter and inspect or value the Property at any reasonable time on reasonable notice (except in case of emergency).

#### **Safeguarding the Bank's Security**

- 11
- (a) You must not, without the Bank's written consent:
    - (i) agree to, or give, any licence or tenancy affecting the Property;
    - (ii) exercise the powers conferred by section 18 of the Act and section 3 of the Conveyancing Act 1911 (relating to grant and surrender of leases);
    - (iii) in any other way, either create, or dispose of, (or agree to) any legal estate or legal or equitable interest in the Property;
    - (iv) negotiate, settle or waive any claim for loss, damage or other compensation affecting the Property, for example, compulsory purchase; or
    - (v) apply for any improvement or other grant or do anything which might result in the Property being subject to a statutory charge.
  - (b) You must do everything in your power to prevent:
    - (i) any other person from being registered under the Land Registration Act (Northern Ireland) 1970 as registered owner of the Property and you will be liable for the expense incurred by The Bank in lodging from time to time cautions against the registration of title to the Property; and
    - (ii) any person from becoming entitled to claim any right over the Property.
  - (c) You must do everything necessary to help the Bank to:
    - (i) confirm or protect its interest in the Property; and

- (ii) exercise any of its rights under the Mortgage.  
This includes immediately signing and delivering documents or doing anything else the Bank reasonably requires, whether or not the Mortgage has become enforceable.
- (ii) exercise any of its rights under the Mortgage.  
This includes immediately signing and delivering documents or doing anything else the Bank reasonably requires, whether or not the Mortgage has become enforceable.
- (d) You must not, without the Bank's written consent, at any time create or allow any other mortgage, charge or burden in relation to the Assets.

**When the Mortgage becomes enforceable**

- 12 You agree that any of the Debt is due and payable to the Bank on demand, unless the Bank has agreed otherwise.
- 13 The Mortgage shall become enforceable if:
- (a) the Debt, or any part of it, is not paid or discharged when due;
  - (b) you are in breach of any of your material obligations under the Mortgage;
  - (c) you, or any of you, or any Borrower, become bankrupt or enter into liquidation or any arrangement with creditors or a receiver, administrator or trustee is appointed over a substantial part of your assets or the assets of the Borrower or any of you or any Borrower is subject to similar proceedings in any jurisdiction;
  - (d) anyone seeks to, or takes possession of, or seeks to enforce, or enforces, any security affecting the Assets or if anything else happens which might adversely affect the security given by the Mortgage;
  - (e) any other event occurs that makes the Mortgage (or any other security for the Debt) enforceable;
  - (f) the Property is compulsorily purchased or requisitioned; or
  - (g) any act of default (however described) occurs entitling the Bank to declare the Debt or any part of it due and payable or the Debt or any part of it otherwise becomes due and payable.
- 14 When the Mortgage becomes enforceable, if the Bank has not already done so, it can ask you to pay the whole of the Debt immediately, and the Bank can:
- (a) exercise its rights to make you leave the Property and take possession of the Property itself;
  - (b) use all of the powers given by the Act to sell the Property without the restrictions set out in section 20 of the Act, which contain restrictions on the power of sale;
  - (c) appoint any person or persons it wants to act as receiver in respect of the Property (or any part of it) and its income without the restrictions set out in section 24 of the Act, which contains provisions relating to the appointment and duties of receivers.
- 15 If the Bank enters into possession of the Assets, it will not be accountable to you as a mortgagee in possession.

**Appointment and powers of a Receiver**

- 16 Any receiver appointed by the Bank under the Mortgage will be your agent and you will be solely responsible for the receiver's acts, remuneration and defaults. Any receiver may be appointed, removed or replaced by the Bank as it may from time to time think fit.
- 17 In addition to all the powers given by the Act and the Conveyancing Act 1911, the receiver shall have power:
- (a) to sell, exchange, lease or in any other way dispose of the Assets in the manner and generally on terms the receiver thinks fit in your name and on your behalf;
  - (b) to do anything an absolute owner could do with the Assets, including:
    - (i) to take possession of, and collect, the Assets and any plant and machinery and for that purpose to take any proceedings in your name or otherwise;
    - (ii) to borrow money as the receiver may require;
    - (iii) to compromise or settle any claims arising out of, or against, the Assets;
    - (iv) to undertake or complete any works of repair, building or development on the Property;
    - (v) to give or accept surrenders of any leases, licences or tenancies affecting the Property on terms, and subject to, conditions the receiver thinks fit;
    - (vi) to carry on any trade or business, including farming, as has from time to time been carried on at the Property;
    - (vii) to provide services and employ or engage managers, contractors and other personnel and professional advisers on terms the receiver believes expedient;
    - (viii) to make elections for value added tax purposes as the receiver thinks fit;
    - (ix) to do anything the Bank has power to do under the Mortgage; and any indebtedness or expenditure incurred as above shall be expenses of the receiver.
  - (c) to charge remuneration (in addition to all costs, charges and expenses incurred) as the Bank may from time to time agree with the receiver.
- 18 The receiver shall apply all money received:
- (a) first, in discharge of all rents, taxes, rates and other outgoings of whatever kind affecting the Assets;
  - (b) second, in keeping down all annual sums or other payments and the interest on all principal sums having priority to the Debt;
  - (c) third, in paying the receiver's remuneration and discharging all costs, charges and expenses incurred by the receiver; and shall then pay the balance of the money to the Bank and the provisions of section 24 (6) and (8) of the Act shall be varied accordingly.

**Power of Attorney**

- 19 You, and if there is more than one of you, each of you, irrevocably (until the Debt has been paid in full and the Mortgage released) appoint the Bank, and/or each and every receiver appointed by the Bank, as your attorney and in your name and on your behalf to sign and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which the Bank and/or any receiver may think fit:

- (a) in the exercise of any powers and doing of any act in respect of any of your obligations under the Mortgage; and
- (b)
  - (i) in the making of any payments (whether by way of payment of rent or service charges or other money payable under a lease or otherwise);
  - (ii) in effecting or renewing insurance;
  - (iii) in carrying out works; or
  - (iv) in doing other things (including entering into any new lease pursuant to an order of the Court) or bringing, settling or defending any proceedings (including forfeiture proceedings) in your name and at your expense,
 in each case provided that the Bank and/or each receiver is acting reasonably for the purposes related to the Mortgage. The Bank can delegate its power of attorney to third parties where reasonable to do so in order to assist in the exercise of its powers.

20 This Power of Attorney is given as security for the purposes of the Powers of Attorney Act (Northern Ireland) 1971.

### **The Bank's Additional Powers**

#### **The Bank has powers of receiver**

21 At any time after the Mortgage has become enforceable, and whether or not a receiver has been appointed, the Bank may, in addition to any other powers arising under the Mortgage, exercise all the powers of a receiver under the Mortgage.

#### **Buying out prior interests**

22 If someone else has a prior interest in the Assets, the Bank may, at any time, buy out the interest or have it transferred to the Bank. You will be fully bound by the transaction.

#### **Adjustments to Act powers and restrictions**

23 The Bank's rights and remedies under the Mortgage are in addition to, and not in substitution for, any given by law.

24 The restriction on the right of consolidating mortgages in section 17 of the Act shall not apply to the Mortgage.

#### **Making good your defaults**

- 25 (a) If at any time you fail to comply with any of your obligations under the Mortgage, the Bank may do anything which, in its reasonable opinion, may be required to remedy the failure.
- (b) For the purposes of (a) above, the Bank or its agents may (but having no duty or liability to you to do so) enter the Property and if it does so, it shall not be deemed to have gone into possession of the Property.

#### **Items left at the Property**

- 26 (a) At any time after the Mortgage has become enforceable, the Bank or any receiver may (but having no duty or liability to you to do so) act on your behalf as your agent and at your expense, remove, store, preserve, sell or otherwise deal with any furniture, goods, vehicles, plant or machinery or produce, crops or animals which you fail or refuse to remove from the Property.
- (b) Neither the Bank nor any receiver will be liable for any resulting loss or damage.
- (c) So far as may be lawful, the Bank may apply any sums realised on any sale against the Debt.
- (d) Where the Bank or any receiver is in possession of any income from the Property, and any of the items mentioned in (a) above are left there, and produce income, any income received will be apportioned only in respect of the Property.

#### **Protection of Purchasers**

27 No one dealing with the Bank or any receiver needs to check that the powers under the Mortgage have arisen or are being properly exercised.

### **Payment of the Bank's Fees, Expenses and Costs**

- 28 (a) You must pay on a full indemnity basis all fees, expenses, liabilities and legal and other costs reasonably incurred or charged by the Bank in or incidental to:
  - (i) the preparation, completion, registration, administration, protection and enforcement (including the costs of any legal proceedings) of the Mortgage; and
  - (ii) the exercise by the Bank of its rights and powers under the Mortgage.
- (b) Any money incurred under (a) above (whether demanded or not) will be added to the Debt unless you are giving the Mortgage to secure the Debt of another person or persons name as Borrower, in which case, such amounts will be debited to an account in your name with the Bank and, once debited, will carry interest at the rate or rates applicable from time to time to the Debt which it discharges and shall be payable on demand.

### **Independence and duration of the Mortgage**

- 29 (a) The Mortgage is in addition to, and independent of, any other security which the Bank may hold at any time for any of the Debt.
- (b) No prior security held by the Bank over the Assets shall merge with the Mortgage.
- (c) The Mortgage remains continuing security against you, and if there is more than one of you, each of you, and if you are an individual, your personal representative, until the Bank releases it in writing.

### **Determination**

- 30 This paragraph applies if you give the Mortgage to secure the Debt of another person or persons named as Borrower. You can give three months' notice to the Bank to determine the continuing nature of the Mortgage. If you do this it means that the Debt that is secured by this Mortgage will be:
- (a) limited in amount to the amount of Debt owed (whether actual or contingent and whether or not demand shall have been made) to the Bank on the date that is three months after actual receipt of the notice by the Bank; and
  - (b) money agreed to be paid by you under paragraph 28 and by the indemnity in paragraph 37 of these Conditions, whether such amount is due before or after the date that is three months after actual receipt of the notice by the Bank; and
  - (c) money agreed to be paid by you under paragraph 38 of these Conditions limited to the amount of the Debt that is owed (or would be owed were it not for the matters set out in paragraph 38(b)) by the Borrower to the Bank on the date that is three months after actual receipt of the notice by the Bank.

### **Retention of the Mortgage**

- 31 If the Bank reasonably requires, it may decline to release the Mortgage unless it is satisfied that any payment of the Debt will not be avoided whether as a preference or otherwise.

### **The Bank's powers to deal with Accounts and Money received**

- 32 (a) If the Bank receives notice of any subsequent mortgage or other interest affecting the Assets, or notice of determination under paragraph 30 of these Conditions, the Bank may open a new account or accounts for you or any Borrower (as the case may be). If the Bank does not do so, then all payments made to the Bank after receipt of the notice, or expiry of the three month period following receipt of the notice of determination (as the case may be), (other than those expressly put aside for a particular purpose) shall be treated as having been credited to a new account in your or the Borrower's name (as the case may be) instead of reducing the Debt.
- (b) If the Mortgage is given for your Debt, and the Bank has more than one account for you, if the Mortgage becomes enforceable or the Bank receives any notice mentioned in (a) above, the Bank may at any time, without prior notice, transfer any credit balance in or towards discharge of any debit balance on any of your accounts. The Bank will notify you of the transfer.
- (c) If the Bank has any other mortgage or charge over the Assets, the Bank shall have an absolute discretion in the appropriation of any money received under the Mortgage or under the other mortgage or charge.
- 33 (a) All money received by the Bank under the Mortgage may, in the Bank's reasonable discretion, be credited to, and held in, a separate suspense account for so long as the Bank may reasonably think fit until the money, and any interest on it, is used by the Bank in or towards discharge of the Debt.
- (b) Any money credited to a suspense account shall be deemed to carry interest from the date of payment into the suspense account at the following rate or rates:
- (i) if and to the extent that the money is used in or towards discharge of the Debt, at the rate or rates applicable from time to time to the Debt which it discharges;
  - (ii) if and to the extent that the money is not used in or towards discharge of the Debt, and is later returned to you, simple interest at a rate to be agreed or, in default of agreement, at a reasonable investment rate.

### **Currency Conversion**

- 34 The Bank may convert any money received under the Mortgage from the currency in which it is received into any other currency that the Bank requires for the purpose of, or pending, the discharge of the Debt. Any conversion will be effected at the Bank's then prevailing rate of exchange for that currency.

### **Restrictions on Recovery by You**

- 35 This paragraph applies if you give the Mortgage to secure the Debt of another person or persons named as Borrower.
- Unless the Debt has been paid in full, and until the Bank releases the Mortgage:
- (a) you will not benefit from any rights the Bank may have, or any security (whether by way of mortgage, guarantee or otherwise) the Bank may hold, on account of the Debt;
  - (b) without the Bank's written consent, you will not exercise or enforce (or seek to) any rights which you may have against the Borrower, or any other person, which arise by reason of payment of the Debt;
  - (c) any money or asset which you receive by reason of the rights mentioned above will be held by you on trust for the Bank and will be applied as if the money or asset were received by the Bank under the Mortgage;
  - (d) you hold any security given to you (now or in the future) for giving the Mortgage on behalf of you on trust for the Bank and will comply with the reasonable requests of the Bank relating to the transfer of that security; and
  - (e) you waive any right of set-off you may have now, or at any time in the future, in respect of the Debt. This means that if the Bank owes money to you, you cannot deduct these monies from the amount of the Debt.

### **Dealings with You, the Borrower and Others**

- 36 You agree that the Bank may without releasing or otherwise affecting the Mortgage as security for the Debt:
- (a) give any loan, credit, financial accommodation or other facility ("the Facilities") to any Borrower (whether alone or with any other person) for whom you have given the Mortgage as may be agreed between the Bank and any Borrower. This means that the level of the Debt may increase without your knowledge;;
  - (b) extend, increase, renew, determine or otherwise vary the Facilities;

- (c) take any other security for the Debt (whether by way of mortgage, guarantee or otherwise);
  - (d) make any arrangement in respect of the Debt, or any other security for it, with you, or if there is more than one of you, any of you, any Borrower for whom you have given the Mortgage or any other person (whether by way of giving time or other indulgence, variation, exchange, release, modification, refraining from perfection or enforcement or otherwise); or
  - (e) do, or not do, anything which might otherwise discharge or affect the Mortgage as security for the Debt.
- You further agree that the Mortgage as security for the Debt will not be affected by any other events or circumstances which, but for these provisions, might otherwise so affect it.

#### **Irregularities in other securities - Incapacity of the Borrower - Indemnity**

- 37 This paragraph applies if you give the Mortgage to secure the Debt of another person or persons named as Borrower.
- (a) The Mortgage will not be discharged or otherwise affected as security for the Debt by any invalidity or unenforceability of, or irregularity or defect in, any other security for the Debt (whether by way of mortgage, guarantee or otherwise) which the Bank may hold now, or at any time in the future.
  - (b) You agree, as a separate and primary obligation, to pay to the Bank all loss caused by, or arising from, any legal limitation, disability or lack of capacity or authority affecting the Borrower or any person acting or purporting to act on behalf of the Borrower regarding the Debt. The Bank will only look to enforce this obligation by realisation of the Assets.

#### **Negligence in realisations**

- 38 The Mortgage shall not be affected as security for the Debt by any neglect by the Bank, or by any agent, third party or receiver appointed by the Bank, in connection with the realisation of any other security (whether by way of mortgage, guarantee or otherwise) which the Bank may hold now, or at any time in the future, for the Debt.

#### **Not enforcing the Bank's rights**

- 39 The Bank (or any third party acting on its behalf or any receiver appointed by the Bank) may occasionally allow you extra time to comply with your obligations or not exercise some of its rights. However, it can still insist on the strict exercise and application of these rights and obligations at any time.

#### **Certificate of sum due**

- 40 A certificate of a HSBC manager or officer as to the amount for the time being of the Debt shall (apart from obvious mistakes) be for all purposes conclusive against you.

#### **Notices, Governing Law and Jurisdiction**

- 41 Any demand, notice or proceeding under the Mortgage may be served:
- (a) by letter, sent by first class post to, or left at, your last known address or registered office, or the Property and if sent by post, it will be deemed to have been served at the time it would, in the ordinary course of post, be delivered; or
  - (b) by fax or other electronic means to your last known fax number or electronic mail address and it will be deemed to have been served at the time of transmission.
- Service on any one of you (where there is more than one of you) is deemed to be service on all of you. Any demand or notice may be served by any HSBC manager or officer.
- 42 (a) The Mortgage shall be governed and construed in accordance with the law of Northern Ireland.  
 (b) You and the Bank submit to the non-exclusive jurisdiction of the courts of Northern Ireland

#### **Disclosure of Information**

- 43 Without restricting any other consents to disclosure of information you may have given to the Bank, you consent to the disclosure by the Bank of any information about you, the Mortgage, the Assets or the Debt to:
- (a) any Borrower;
  - (b) any person to whom the Bank proposes to sell, assign or transfer, or has sold, assigned or transferred, all or any of its rights, benefits and obligations under the Mortgage or the Debt and any rating agencies;
  - (c) any person with whom the Bank proposes to enter, or has entered, into any arrangements in respect of the Mortgage or the Debt;
  - (d) any company within the HSBC Group, being HSBC Holdings plc and its associated and subsidiary companies from time to time or any of its or their agents;
  - (e) any insurer who is to, or proposes to, provide insurance to the Bank in respect of the Assets and/or the Debt
  - (f) any other person, if required or permitted by law to do so; and/or
  - (g) any advisers of the Bank or any other persons in connection with the Mortgage or any of (b) to (f) above.

#### **Transfer of Rights**

- 44 (a) The Bank may transfer all or any of its rights under the Mortgage and/or the Debt to any person at any time.
- (b) If the Bank transfers all or any of its rights under the Mortgage and/or the Debt, yours and the Borrower's rights under the Mortgage and/or the Debt (as the case may be) will stay exactly the same.
- (c) You and the Borrower will be bound to any person to whom the Bank transfers any such rights. That person will have the Bank's powers and rights so far as the Bank transfers these to that person. The Bank will be released automatically from its obligations to you and the Borrower so far as that person assumes the Bank's obligations.
- (d) You will, at the expense of the Bank or the person to whom the rights are transferred, do anything reasonably requested by the Bank to effect a transfer of all or any of its rights under the Mortgage and/or the Debt.

- (e) You will not transfer all or any of your rights or obligations under the Mortgage and/or the Debt without the prior written consent of the Bank.
- (f) In these Transfer of Rights provisions and in the Disclosure of Information provisions above:
  - (i) the term **transfer** means sale, assignment and/or transfer;
  - (ii) the term **rights** means rights, benefits and/or obligations; and
  - (iii) the term **persons** means any person, trust, fund or other entity.

**The Bank's written consent and reasonable requirement**

- 45
- (a) Where the words "without the Bank's written consent" appear in any paragraph, the Bank will not unreasonably withhold consent. You agree that it is reasonable for the Bank to refuse to consent to something if, in the Bank's reasonable opinion, it adversely affects or might affect:
    - (i) the Bank's security under the Mortgage and the Bank's ability to enforce the Mortgage;
    - (ii) the value of the Assets and the Bank's ability to sell the Assets;
    - (iii) the Bank's ability to recover the Debt; or
    - (iv) the assessment of the value of the Mortgage as an asset of the Bank.
  - (b) Where the words "the Bank reasonably requires" appear in any paragraph, you agree that it is reasonable for the Bank to require something if, in the Bank's reasonable opinion, it will or might assist in:
    - (i) the preservation of the Bank's security under the Mortgage or the value of the Assets; or
    - (ii) the Bank's ability to recover the Debt.

**Severance and Modification**

- 46
- (a) If any of the paragraphs (or part of a paragraph) of these Conditions and/or any of the clauses (or part of a clause) of the Legal Mortgage becomes invalid or unenforceable in any way under any law, the validity of the remaining paragraphs or clauses (or part of either) will not be affected.
  - (b) If any invalid or unenforceable paragraph or clause mentioned above (or part of either) would not be invalid or unenforceable if its form or effect were modified in any way, it shall be deemed to have the modified form or effect so long as the Bank consents.
  - (c) If the Mortgage is unenforceable or otherwise ineffective against you, or if there is more than one of you, any of you, none of the rest of you will be released from your obligations under the Mortgage.