

AMC

Business Tariff

AMC's 'Business Tariff' sets out the basic charge for when a loan is arranged. Once the loan has been set up, there are normally no further charges.

Circumstances may arise, however, when you want to change the arrangements. You might wish to sell part of the land held by AMC as security, grant an easement or admit a new partner to your farm business. The tariff includes the charges for these and other services most frequently requested.

You will always be advised of the particular charges which apply to a transaction and when they are payable. This information will be given before the charges are incurred or at the time the service is provided. VAT will be added when applicable.

AMC reserves the right to alter this tariff and any charges made.

If you have any queries on any matters covered by this tariff, please telephone 020 7714 3660.

New borrowing arrangements

Administration charges

Loan Fee

Negotiable (minimum £750)

This charge includes the cost of any professional valuation report, Agent/Introducer fees and AMC administration costs in assessing and setting up a new loan. In some instances the charge may equate to more than 1.5% of the agreed loan amount. It does not include any legal costs which you will be separately responsible for.

The Loan Fee is payable when a formal loan offer is accepted, whether the loan is taken or not. Loan Fees can usually be added to the loan.

In addition, if loan drawn down in tranches (e.g. building project)

£120 per tranche

Same day money transfer upon loan drawdown

£30

AMC will notify you of any requirement for a further valuation and the cost of each subsequent report.

Legal costs

You are responsible for your own legal costs. In some cases AMC may also need to instruct independent solicitors and you will be asked to pay our legal costs. Estimates are available on request.

Interest charges

Calculation and Charging

Interest is calculated on a daily basis and will be charged in line with your agreed instalment frequency. You will be provided with written notice of your loan payments. Any capital repayments are applied to the account with immediate effect.

Payment

Instalments can be paid monthly, quarterly or half-yearly on dates which suit the cash flow of your business.

Changing the agreement between us

AMC's consent to changes to the agreement is required under the terms of the loan. Examples of such changes include transactions where a third party is to be given an interest in the security (such as the creation of tenancies, gas/water easements, development rights and options to purchase). Consent is also required when you wish to amend the security held or the parties to the agreement.

The following charges apply:

Release of security

Release part of the security held by AMC

£525

Other changes to security

Change of ownership, or substituted security**

£525

Consent to easement, Telecommunication Lettings and Assured Shorthold Tenancies

£300

Consent to option, planning, environmental agreements, letting or other agreements**

£350

You will be responsible for any fees incurred in the event of a formal valuation being required because of a change to the security held by AMC, your own legal fees and/or any legal fees should AMC require to take legal advice. Estimates are available on request.

Please note that the whole fee, or a proportion of it, may be payable should AMC make an offer but the transaction does not proceed to completion.

For any transaction of a complex nature we reserve the right to charge a fee commensurate with the work involved. A quotation will be provided where appropriate.

**In some cases AMC may also need to instruct independent solicitors and you will be asked to pay our legal costs.

Any property given as security which may include your home, may be repossessed if you do not keep up repayments on your mortgage or other debts secured on it.

All lending is subject to a satisfactory credit assessment and we will need your permission to carry out a credit check on you and your business. You should not apply for an amount that you cannot comfortably afford to repay now and in the future to avoid the possibility of legal action.

Interest and repayment

The following charges apply where changes to interest and repayment arrangements are made:

Altering interest rate or loan type **£225**
(In addition a Break Cost may be payable, see 'Break Costs' below.)

Re-finance of Interest Only Loan **1.5% of the loan amount (minimum £750)**

Altering repayment frequency and/or the date of payment **£50**

Early repayment

Loans can be repaid early, but there will be a charge in respect of the administration costs that AMC incurs:

Handling charge for early repayment in full of all borrowing (Applied in all cases when the mortgage account is repaid before the contractual date. This charge is applied in addition to any fixed rate Break Cost referred to below.) **£400**

The charge covers:

- preparing, checking and executing all legal documentation required to discharge the mortgage;
- checking of account, registered title and/or deeds to establish whether there is any second charge;
- the release of unregistered title deeds and documents or discharge of registered charge at H M Land Registry;
- reassigning any life policies (if necessary);
- preparation and checking of redemption statement and (if any) fixed rate Break Costs;
- correspondence with you and/or your professional representative;
- repayment of all loan accounts;
- reallocation of loan money by AMC.

Break Costs – fixed rate loans only

A Break Cost is a cost that is payable by you in the event that you decide to, or AMC require you to (under the terms of your loan agreement) repay all, or part of your Fixed Rate Loan during the Fixed Rate Period. This is known as a 'Break Event'. This is not a penalty charge.

These costs are specific to each loan and are influenced by a number of factors which include:

- the amount being repaid early;
- the remaining term of your fixed rate period; and in some cases
- the prevailing market rate at the point of repayment (if specified in your loan agreement).

Depending on the type of Fixed Rate Loan you have and the market conditions applicable at the point you repay your loan, the Break Costs calculated could result in a substantial amount being due from you to AMC.

Break Costs will cease to apply to your loan when your fixed rate period expires.

Provision of information

Provision of account information

Completion of an information questionnaire (depending on complexity) from your other mortgagee(s) **Up to £200**

Completion of full account audit - for accountant **£55**

Status enquiry - letter confirming details and conduct of account for banks **£30**

Provision of deeds or deed information

Sending title deeds to your solicitors **£75**

Copying deeds or other documents **£20 per document**

Statements

Statement of account **Free**

You should retain information supplied to you regarding your account. Instalment statements, for example, may be required by your accountant in order to complete your tax returns. There is a charge for supply of duplicate information as follows:

Duplicate statement **£15**

Please note that VAT will be charged on all the fees shown above under the heading "Provision of information".

Arrears

Overdue instalments

Administration fee **£35 for first unpaid instalment together with additional interest (8% over Bank of England Bank Rate) on any arrears**

If instalment payments are overdue, additional interest (in addition to the interest payable on your loan) will be charged on the amount that is overdue, until all arrears are cleared. This rate (presently 8% over Bank of England Bank Rate per annum) is subject to change from time to time. Notice of liability for fees and interest will be given when an instalment payment first becomes overdue.

The Bank of England Official Bank Rate may be varied (either up or down) at any time. This rate is published in a number of daily newspapers and AMC's website (amconline.co.uk/customers/bank-rate) also has a link to the Bank of England Official Bank Rate.

Our service promise

We aim to provide the highest level of customer service possible. However if you experience a problem, we will always seek to resolve this as quickly and efficiently as possible. You can request a copy of our 'How to complain' leaflet by calling 020 7714 3660.

Please contact us if you'd like this information in an alternative format such as Braille, large print or audio.

Calls may be monitored or recorded in case we need to check we have carried out your instructions correctly and to help improve our quality of service.

The Agricultural Mortgage Corporation plc Registered in England & Wales No. 234742. Registered Office: Keens House, Anton Mill Road, Andover, Hampshire SP10 2NQ. Telephone: 020 7714 3660. www.amconline.co.uk

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