



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 (with the exception of the AMC Flexible Facility detailed below).

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 01264 334344.

Borrowing arrangements

Administration charges

New or additional loan **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.

In addition, if loan drawn down in tranches (e.g. building project) **£120 per tranche**

Roll-over of interest only or endowment loan at maturity **0.5% of the loan amount renewed at maturity, or £200, whichever is the greater**

AMC fees are payable when a formal loan offer is accepted, whether the loan is taken or not. Fees and costs can usually be added to the loan.

Same day money transfer (CHAPS) **£30**

Legal costs

You are responsible for your own and AMC's legal costs. An estimate of AMC's costs will be given 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. All interest is charged to your account on a given day, but payment is not due for 17 days. This means that you will receive a statement and have 14 days notice of the amount due. 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.

AMC Flexible Facility

Administration charges

Annual facility charge (paid in arrears) **0.5% of the account limit**
Same day money transfer (CHAPS) **£30**
Standard money transfer **Free**
Changing your nominated account **Free**
Changing your instalment amounts **Free**

Renegotiating your facility

Increasing your facility limit **Negotiable (minimum £750)**

Reducing your facility limit between anniversary dates* **Free**

* The annual facility charge applied to your facility at the end of the year will reflect the part of the year at the lower limit.

Reducing your facility limit on the facility completion anniversary date **Free**

Early closure of the Flexible Facility

If, during the course of your facility, you decide to close it, charges will be as follows:

50% of the annual facility charges outstanding to the end of the term or re-negotiated term of the facility and:

If AMC needs to discharge the mortgage over the security property **£400**

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 and/or any legal fees should AMC require to take legal advice. Estimates will be provided on request.

**In all cases AMC will instruct independent solicitors and you will be asked to pay our legal costs. Estimates are available on request.

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.

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.

Interest and repayment

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

Altering loan term, interest rate or loan type (In addition a Break Cost may be payable, see 'Break Costs' below.)	£225
Altering repayment frequency	£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 redemption charge 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 redemption charges;
- 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 the name given to the cost that would be incurred by you if at some time during the Fixed Rate Period of the AMC Fixed Rate Loan (AMCFRL) there were to be a 'Break Event.' A Break Event is where you or AMC (in accordance with the terms of the loan agreement) terminate the AMCFRL, you make an early repayment (full or partial), you fail to make a payment in accordance with the loan agreement, you change from a fixed interest rate loan to a variable interest rate loan, you change the terms of your repayment under the fixed rate loan from the terms agreed or you are required by us to repay part or all of your AMCFRL due to a Default Event. These costs are specific to each loan and are influenced by a number of factors which include:

- the length of time remaining to the end of the Fixed Rate Period;
- whether it is an increasing or decreasing interest rate environment;
- the movement of market interest rates since the Fixed Rate has been agreed;
- the loan amount affected by the Break Event.

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 01264 334344.

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: Charlton Place, Charlton Road, Andover, Hampshire SP10 1RE. Telephone: 01264 334344. www.amconline.co.uk

We adhere to The Standards of Lending Practice which are monitored and enforced by the LSB: www.lendingstandardsboard.org.uk and apply to businesses which have an annual turnover of no more than £6.5 million.

The Agricultural Mortgage Corporation plc is a wholly owned subsidiary of Lloyds Bank plc. Lloyds Bank plc is a member of Lloyds Banking Group. Lloyds Banking Group is a financial services group that incorporates a number of brands including Lloyds Bank. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com

The Break Cost sum calculated is not a penalty charge. The sum is calculated to ensure that if payments are not made in accordance with the loan agreement, AMC will still receive an amount which represents the economic value of what it would have received had the loan agreement continued as agreed.

Depending on market conditions at the time of the Break Event, the Break Costs calculated could result in a substantial amount being due from you to AMC.

Provision of information and dealing with title deeds

The Data Protection Act 1998 gives you rights to request your personal information from Lloyds Banking Group companies, including AMC. Each company may, as appropriate, require proof of your identity before supplying this information. You can ask Lloyds Banking Group companies to change your personal information to keep it accurate and up to date. Other related charges are as follows:

Provision of deeds or deed information

Sending title deeds to your solicitors	£75 + vat
Copying deeds or other documents	£20 per document

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

Statements

Statement of account	Free
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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
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Please note that VAT will be charged on all the fees shown above under the heading "Provision of information and dealing with title deeds".

Arrears

Overdue instalments

Administration fee	£35 per unpaid instalment together with additional interest (11.5% over Bank of England Bank Rate) on any arrears
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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 11.5% 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.