

Please act on our behalf to obtain a first standard security over the property referred to in the mortgage offer.

Your instructions are in accordance with:

- the UK Finance Mortgage Lenders' Handbook for Scotland
- the mortgage offer or any amended offer
- the information below with regard to Part 2 of the UK Finance Mortgage Lenders' Handbook

Please also refer to the documents in accordance with the enclosed checklist.

The figure to be inserted into the "Mortgage Advance" section of the Certificate of Title and Request for Advance is the gross figure shown on the mortgage offer before any deductions (e.g. a retention, higher lending charge) are made.

## **PART 2 - YORKSHIRE BUILDING SOCIETY (the Society)**

**Date last amended 16th May 2018.**

The following are the responses and comments of Yorkshire Building Society to those issues identified in Part 1 of the UK Finance Mortgage Lenders' Handbook for Scotland. This handbook is available only on the UK Finance website [www.ukfinance.org.uk/handbook](http://www.ukfinance.org.uk/handbook). Conveyancers should refer to that Handbook and are reminded to provide, where necessary, their recommendation in accordance with paragraph 2.3 of Part 1.

<b>Paragraph Number</b>	<b>Issue or Query</b>	<b>Lender's Response</b>
1.6	Contact point to see if lender will lend when borrower and proprietor are not one and the same	We will not lend when borrower and proprietor are not one and the same.
1.11a	Contact point for standard documents.	Whoever issued the offer/instructions. This will be apparent from the mortgage offer.
1.11b	Contact point if standard documents are inappropriate.	In the first instance as above. The Society may then ask you to contact Group Legal, whose address is Yorkshire Building Society, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. We do not accept other lenders' Deeds of Postponement/Ranking Agreements so you must ensure that our own form of Deed of Postponement (Ranking Agreement) is used.
1.14	May your firm act if the person dealing with the transaction or a member of his immediate family is the borrower?	Yes, provided that: <ul style="list-style-type: none"> <li>• there is no conflict of interest and none arises during the transaction and</li> <li>• the firm is a partnership and</li> <li>• the conveyancer acting is not the borrower or a member of the borrower's immediate family</li> </ul>
1.15	May your firm act if the person dealing with the transaction or a member of his immediate family is the seller?	Yes, provided that: <ul style="list-style-type: none"> <li>• there is no conflict of interest and none arises during the transaction and</li> <li>• the firm is a partnership and</li> <li>• the conveyancer acting is not the borrower or a member of the borrower's immediate family</li> </ul>
3.2	Does the lender require notification of the name and address of the solicitors firm acting for the seller?	No.
3.3	If different from 1.11, contact details if the lender needs to be notified when the seller does not have legal representation.	As 1.11a.
4.1.1	Is there a valuation report and if so does the lender provide it?	We normally supply you with a copy if we carry out a physical inspection of the property.
4.1.3	If different from 1.11, contact point if assumptions stated by the valuer are incorrect.	As 1.11a.
4.2.1a	If different from 1.11, contact point if re-inspection required.	As 1.11a.
4.2.1b	Where should the Certificate of Title be sent?	As 1.11a.
5.1.1	If different from 1.11, contact point if the seller has owned the property for less than 6 months.	As 1.11a.

Paragraph Number	Issue or Query	Lender's Response
5.3.4a	Does the lender accept property enquiry certificates from private firms?	Yes, provided you give an unqualified Certificate of Title.
5.3.4b	Does the lender accept search insurance?	Yes, provided you give an unqualified Certificate of Title.
5.3.5	Does the lender want to receive environmental or contaminated land reports?	No.
5.4.2a	If different from 1.11, contact point if seller is not giving adequate undertaking to comply with outstanding planning permission or building regulation conditions before settlement.	As 1.11a.
5.4.2b	Does the lender require original/copy planning permissions?	Yes, to be sent with the deeds after settlement - copies will suffice.
5.4.2c	Does the lender require an original/copy building warrants?	Yes, to be sent with the deeds after settlement - copies will suffice.
5.4.2d	Does the lender require other consents/certificates?	Yes, to be sent with the deeds after settlement - copies will suffice.
5.4.3	If different from 1.11, contact point if the property is subject to restrictions which may affect its value or marketability.	As 1.11a.
5.6.1	If different from 1.11, contact point if there is a restriction on use.	As 1.11a.
5.9.1	If different from 1.11, contact point if borrower is not providing balance of purchase price from own funds/ proposing to give second charge.	As 1.11a.
5.10	Does the lender accept long leasehold titles as security?	Yes.
5.11.2.	If different from 1.11, contact point if unable to certify search entry does not relate.	As 1.11a.
5.12.3	Does the lender need to be sent the original, an extract or a certified copy of the power of attorney?	Yes, at least a certified copy to be sent with the deeds after settlement.
5.13.1	If different from 1.11, contact point for lending on affordable housing, shared equity and shared ownership and where relevant your requirements.	We do not lend where the transaction involves either a shared equity scheme or shared ownership of the property.
5.14.1	Does the lender require you to disclose the details of any existing Green Deal Plan(s) on a property?	Yes. Please provide details of any Green Deal plans - see 1.11a for contact details.
6.1.3	If different from 1.11, contact point if borrower is not taking up the mortgage offer.	As 1.11a.
6.2.1	If different from 1.11, contact point if any discrepancies in property's description.	As 1.11a.
6.3.1	If different from 1.11, contact point for any issues relating to purchase price.	As 1.11a.
6.4.4	Does the lender require me to report incentives? Note: You must obtain a completed copy of the UK Finance Disclosure of Incentives Form from the Solicitor acting on behalf of the seller of any property that is yet to be occupied for the first time, or for the first time in its current form, for example, because of a renovation or conversion. You should only report incentives to the lender as instructed below. You will not be able to send a completed Certificate of Title to the lender unless you have received the UK Finance Disclosure of Incentives Form. When you send a completed Certificate of Title you are confirming you are in receipt of a completed UK Finance Disclosure of Incentives Form from the developer/seller's Solicitor which complies with your instructions. This does not override your duty to the lender via the instructions provided elsewhere in the Lenders' Handbook.	Yes. If the purchase price does not reflect the cashback, incentives or discount then we may have to reconsider the basis of our lending. A completed copy of the UK Finance Disclosure of Incentives Form (the Form) should be obtained where the property is to be occupied for the first time or for the first time in its current form, for example, because of a renovation or conversion. You should send the Form as soon as possible to whoever issued the offer/instructions even if it does not disclose any incentives. You must not submit your Certificate of Title unless you have previously sent us the Form.

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6.4.5	If different from 1.11, contact point if I will not have control of the purchase price.	As 1.11a.
6.5.1	If different from 1.11, contact point if vacant possession is not being given.	As 1.11a.
6.6.1	If different from 1.11, contact point if property is let/ to be let.	As 1.11a. If prior to completion of the mortgage, you become aware that the borrower intends to let the property, you must inform us immediately.
6.6.2	Does the lender need to be sent the counterpart/ certified copy tenancy agreement?	No.
6.6.3a	Conditions that apply to the letting.	If we agree to the letting, any conditions that apply will be set out in the mortgage offer and/or any consent to let we issue.
6.6.3b	If different from 1.11, contact point if property already let and these requirements not met.	As 1.11a.
6.6.3c	If different from 1.11, contact point to report any failure to register the landlord under the register of landlords.	As 1.11a.
6.6.3d	Contact point to report any failure by the borrower to obtain a licence under the Civic Government (Scotland) Act 1982 (Licensing of houses in Multiple Occupation) Order 2000 as amended.	As 1.11a.
6.7.1	What new home warranty schemes will the lender accept?	<ul style="list-style-type: none"> <li>• NHBC</li> <li>• Zurich Municipal provided there is already a warranty in place or the property is on a development which has already commenced. In both cases, Zurich must confirm that it will honour the warranty</li> <li>• Premier Guarantee</li> <li>• LABC New Home Warranty</li> <li>• Building Life Plans (BLP)</li> <li>• Checkmate/Castle 10</li> <li>• Build Zone</li> <li>• HAPM</li> <li>• Build Assure (New Home Structural Defects Insurance)</li> <li>• Global Home Warranties (Structural Defects Insurance)</li> <li>• The Q Policy for Residential Properties</li> <li>• The Q Policy for Bespoke Properties (detached only)</li> <li>• CRL new build 10 year structural defects insurance policy for residential property (NB: where the building was a newbuild and completed between August 2011 and May 2015 there must be no more than 10 units in the building: there is no limit on the number of units in a building that was converted during that time).</li> <li>• Protek</li> <li>• Advantage (Insurer: Elite Insurance Company). There must be no more than 10 units in any complete structure.</li> <li>• Capital Warranties</li> <li>• International Construction Warranties (ICW)</li> <li>• Ark Residential New Build Latent Defects Insurance. Where a detached garage/outbuilding has been constructed at the same time as the main building, the policy must include an endorsement confirming cover for the detached garage/ outbuilding.</li> </ul> <p>Any other new home warranty schemes will be considered on their merits and details should be sent to whoever issued the offer/instructions.</p>
6.7.2	What New Home Warranty documentation should be sent to the lender?	All documentation necessary for us to be able in appropriate circumstances to enforce our security.

Paragraph Number	Issue or Query	Lender's Response
6.7.3	Should any assignments of building standards indemnity schemes be sent to the lender?	Yes, to be sent with the deeds after settlement.
6.7.4	Does the lender accept monitoring by a professional consultant?	Yes, provided any certificate given by a professional consultant meets the requirements of 6.7.4 and the appendix to the Handbook. We do not have our own form of certificate.
6.7.6	Does the lender need to be sent the professional consultant's certificate?	Yes, to be sent with the deeds after settlement.
6.8.1	If different from 1.11, contact point if no bond/retention for an unadopted road or if no public sewer or approved private sewerage.	We do not insist on such a bond being in place at settlement nor on you making a retention and so we do not need to be made aware of such circumstances. You, however should ensure all applicants are aware of their potential liability.
6.8.2	If different from 1.11, contact point if property not served by public sewer or by private sewerage arrangements with necessary approvals.	As 1.11a.
6.9.1	If different from 1.11, contact point if necessary servitudes are absent.	As 1.11a. If the defect in title cannot be rectified by appropriate documentation we will require indemnity insurance to be in place at settlement.
6.10.2	Who will the lender release any retentions (or instalments of the advance) to?	Any retention will be released to the borrower, unless we have written authority from the borrower to release it elsewhere. Instalments of the advance will be released to you.
6.11.1	If different from 1.11, contact point if property is affected by redevelopment and road proposals.	As 1.11a.
6.12.1	If different from 1.11, contact point if pre-emption rights, resale restrictions, options etc. will affect the lender's security.	As 1.11a.
6.13.1	If different from 1.11, contact point if property is affected by improvement/repair grant which will not be discharged.	As 1.11a.
8.1	May I also advise any of the specified third parties?	Yes, provided that you are satisfied that <ul style="list-style-type: none"> <li>• there is no conflict of interest in giving such advice and</li> <li>• by doing so the document being signed will not be open to challenge.</li> </ul>
9.1	Does the lender need to be sent any indemnity insurance policy?	Yes, to be sent with the deeds after settlement.
9.2	What limit of indemnity insurance does the lender require?	An amount at least equal to the amount of the mortgage advance. Any indemnity insurance policy must protect the borrowers, any successors in title and any heritable creditor.
10.2a	Will the mortgage advance be paid electronically or by cheque?	Electronically. Please refer to our CHAPS Payments Service Terms and Conditions below which apply to all payments of advance monies.
10.2b	What is the minimum number of days notice the lender requires:	No final inspection - we must receive your Certificate of Title and Request for Advance (the "Certificate") at least six working days before settlement. Final inspection required - an extra five working days should be allowed. The advance monies will be sent to your client account (you must provide details in the Certificate) on the last working day prior to the settlement date. Occasional delays in transmitting advance monies can occur as a result of a breakdown in the external CHAPS system. No responsibility can be accepted for losses arising from any such delays.

Paragraph Number	Issue or Query	Lender's Response
10.3	What are the standard deductions made from the mortgage advance?	Please check the mortgage offer to see whether any deductions such as Higher Lending Charge are to be made. Any such deductions will be shown on the mortgage offer which will also show the net amount to be sent to you.
10.4	On a delayed settlement, when and how is the advance to be returned?	Return the funds electronically to our bank account within one working day of settlement date in Certificate. Details of our bank account are: Bank: National Westminster Bank Plc Branch: City Centre, Bradford Sort Code: 56-00-36 Account No: 78735173 If not returned as above, or you do not quote correctly the borrower's name and account number, interest will be charged.
10.6	If different from 1.11, contact point if settlement delayed.	As 1.11a.
10.7	How long can I hold the mortgage advance before returning it?	See 10.4.
10.8	What, if any, interest does the lender charge if return of the advance is delayed?	Interest will be charged at the rate payable by the borrower under the terms of the mortgage.
12.3.1	If different from 1.11, contact point for release of retentions/mortgage advance instalments	As 1.11a.
14.1.4a	Does the lender require to receive paper certificates where security registered pre 8th December 2014?	Yes.
14.1.4b	Does the lender require in respect of securities registered on or after 8th December 2014 you to instruct the Register of Scotland on your application form to send direct notification to the lender's designated email address that registration of its standard security has been completed? If yes please specify the email address OR	No.
14.1.4c	Does the lender require in respect of securities registered on or after 8th December 2014 you to send a paper or electronic copy of the updated Title Sheet showing the registration of its standard security?	Yes.
14.2.1	Where should the title deeds and documents be sent?	The Securities Team, Mortgage Service, Yorkshire Building Society, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. DX 11798 Bradford.
14.2.2	Which documents must I send after settlement?	<ul style="list-style-type: none"> <li>• All those specified in the Handbook and in these responses.</li> <li>• All those set out in our standard deeds schedule.</li> <li>• Any other documents specified in the mortgage offer.</li> </ul> <p>All documents are sent to us at your risk. Please note any unnecessary pre-registration deeds should not be sent to us.</p>
16.1.1	If different from 1.11, contact point for requesting the deeds	The Securities Team, Mortgage Service, Yorkshire Building Society, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. DX 11798 Bradford. You can also request deeds online - <a href="http://www.ybs.co.uk/legal/lawyers/html">www.ybs.co.uk/legal/lawyers/html</a>
16.3.1	Does the lender have a standard form of deed of variation?	Yes, for use where there is a change in the parties to the original Standard Security.
16.3.2	If different from 1.11, contact point for finding out the debt amount.	Customer Contact Centre, Yorkshire Building Society, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ DX 11798 Bradford. (0345 1 200 872).

Paragraph Number	Issue or Query	Lender's Response
16.3.6	If different from 1.11, contact point for obtaining execution of deed of variation.	The Technical Team, Mortgage Service, Yorkshire Building Society, Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. DX 11798 Bradford.
16.4.1	If different from 1.11, contact point for application for consent to letting.	As 16.3.6.
16.4.2	Does a copy of the proposed tenancy agreement need to be sent to the lender?	Yes.
16.4.3	Conditions for letting of the property after settlement.	If we agree to the letting, any conditions that apply are set out in any consent to let we issue.
16.5.2	If different from 1.11, contact point for confirming proposed deed or agreement will not adversely affect the lender.	As 16.3.6.
16.5.3a	Where should the deed of restriction be sent for execution?	As 16.3.6.
16.5.3b	Where should the deed of servitude be sent for execution?	As 16.3.6.
17.1.1	If different from 1.11, contact point for requesting redemption statement.	As 16.3.2. You can also request a redemption statement online - <a href="http://www.ybs.co.uk/legal/lawyers/html">www.ybs.co.uk/legal/lawyers/html</a>
17.2.1	Where do I send the discharge and repayment remittance?	In accordance with the details in the redemption statement.
18.2.1	Does the lender allow completion and registration of the standard security on ARTL?	No.
18.3.1	Will the lender digitally execute the discharge?	No.

Our printed material is available in alternative formats e.g. large print, Braille or audio.  
Please visit us in branch or call us on **0345 1200 100**.

# CHAPS PAYMENTS SERVICE TERMS AND CONDITIONS

## 1. CHAPS Payments Service

- 1.1 This electronic funds transfer service is provided by us via the Bankline product owned by Royal Bank of Scotland Group, and applies to sterling UK CHAPS payments only. It is only available to Yorkshire Building Society's legal advisers acting in relation to a mortgage offer or an additional loan offer. It is available from Monday to Friday. It is not available on Saturdays.
- 1.2 You must ensure that all details given to us on the Certificate of Title and Request for Funds (your "Request") are correct, including your account details and amount. You agree that we act in reliance on the details you provide in your Request.
- 1.3 You must have all necessary authorisations and approvals to receive any payments.
- 1.4 Payment requests will be executed on the day of receipt provided your Request is received prior to 12.00 midday on any working day (except Saturdays). Requests received after 12.00 midday, or on Saturdays, will be processed on the next working day.
- 1.5 You will normally receive funds on the day the payment is processed, but this timescale may be affected by factors outside our control (i.e. the need for further checks or additional information and legal or regulatory action) and transactions times cannot be guaranteed.

## 2. When we cannot accept or cancel a request

- 2.1 We will not be obliged to accept, or may cancel, a Request if:
  - (a) you do not comply with these conditions or any other terms, agreement or arrangement with us;
  - (b) we reasonably believe that fulfilling your Request would breach any law or regulation or statutory duty or would involve us in onerous costs or expenses;
  - (c) you are not on our Conveyancing Panel, or we reasonably believe that action has been taken, or is about to be taken against you or your firm by the Solicitors Regulation Authority or any other regulatory or law enforcement authority;
  - (d) we are hindered or prevented by an event or circumstances outside our control, including the termination of the Bankline service by Royal Bank of Scotland Group;
  - (e) we believe with good reason that the instruction has not been provided by you;
  - (f) the instructions are incorrect, unclear or incomplete.
- 2.2 If we decide not to accept or to cancel any Request we will inform you as soon as possible.

## 3. Cancellation or amendment by you

We are not able to cancel or amend a CHAPS payment once it has been sent. You may ask us to recall, amend or cancel a payment only if we have not executed the Request and only if you change your instructions with enough time to allow us a reasonable opportunity to recall or amend the payment. We will make reasonable efforts to do so but we will not be liable to you if we cannot. If the Request has been executed, we will attempt to contact the beneficiary bank on your behalf. You will have to pay any service charges incurred in reversing, amending or cancelling a transaction, plus our reasonable expenses.

## 4. Our liability to you

- 4.1 We will do everything we reasonably can to rectify any errors or omissions in a Request, but we will not be liable for any loss or damage caused to you or anyone else by them. We will not be liable for failure to fulfil a Request in the circumstances set out in clause 2 above. Nor will we be liable to you or anyone else for any delay in your payment reaching, or its failure to reach you unless this is caused directly by our wilful default or negligence or unless we cannot prove to you that the beneficiary bank received the transfer amount.
- 4.2 Where you tell us that the payment has not reached you, we shall take immediate steps to trace the transaction and let you know the outcome. Where after making reasonable enquiries we are satisfied that the beneficiary bank has not received the payment amount, we shall re-send to you the amount of the failed payment.
- 4.3 We will not accept responsibility for any loss or damage caused by delays, interventions, interruptions or errors or failures in the transmission of the service which are outside our control or unforeseeable. If we do become liable to you, this will not in any circumstances be for any loss of profit, contracts, opportunity, goodwill or any other indirect or consequential loss.

## 5. Compliance with laws and regulations

You are responsible for ensuring that your payment complies with UK laws and regulations. In particular, you confirm that the information given in your Request is accurate and that the payment will not constitute a breach of any Anti-Money Laundering laws and regulations. If any legal or regulatory authorities require us to check details or provide them with additional information about you or the customer, or the reasons for a particular transaction, you agree to use reasonable endeavours to supply all such information promptly. If you cannot do so, we may be unable to fulfil your Request or there may be a delay in doing so. You irrevocably agree that, if required to do so by any applicable law or regulation, we or Royal Bank of Scotland Group may block or hold in suspense any funds, without paying interest, or hand them over to appropriate regulatory authorities.

## 6. General

All the terms and conditions which apply to this service are contained in this document and they cannot be changed or added to by you without our consent in writing. You may not assign your rights and obligations under these terms and conditions to anyone else without our prior written consent. If we decide on a particular occasion not to exercise, or to delay in exercising, any of our rights under these terms and conditions, this will not prevent us from exercising those rights on other occasions. These terms and conditions are subject to English law, and you agree that any disputes arising from them will be decided by the English courts.

Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085.

Principal Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile.