



## ***Terms & Conditions***

### **1. Interest**

Interest shall be calculated at the annual rate specified overleaf.

### **2. Payment of Interest**

- a. The term of the loan and the accruing of Interest on the loanstock shall only begin after the finalisation of the purchase of the Co-op's first property, and shall be calculated on the anniversary of that date thereafter.
- b Interest will be added to your balance annually and be compound (calculated each year on the full amount, including previous years' interest).
- d. All accrual of interest shall cease on the Maturation Date specified overleaf.

### **3. Repayment of loanstock**

- a. The Co-op may, at its discretion, accept a request for early repayment of part or all of this loanstock, which must be made to the Co-op in writing, stating the requested amount to be repaid. Where part of the loanstock only is repaid, the Co-op will issue to the Lender a new Loanstock Agreement in respect of the amount outstanding.
- b. The Co-op also retains the right to make early repayment of all or part of this loanstock, at any time, at its discretion, including any interest accrued up to that point.
- c. The balance of loanstock outstanding will be repaid in full on the Maturation Date specified overleaf.

### **4. Repayment on Default**

The Co-op shall immediately repay this loanstock to the fullest extent financially possible if the Co-op:

- a. is in breach of these conditions; or
- b. is overdue on any payment by 60 days or more (except where payment has been attempted by the Co-op during the last 60 days using the currently agreed method, and the method did not function); or
- c. passes a resolution for winding up, or goes into liquidation, or has an administrative receiver appointed over any of its assets, or has an administration order made against it, or an effective instrument of dissolution is made by the members of the Co-op.
- d. has not secured a property within 12 months of the Lender making the initial loanstock payment to the Co-op, and receives a written request for repayment from the Lender.

### **5. General**

- a. These conditions shall not give the Lender any rights to attend meetings or participate in any way in the management of the Co-op, other than those they might have as members.
- b. These conditions shall not in any way be affected by the Lender becoming or ceasing to be a member of the Co-op.
- c. These conditions may be varied at any time by agreement of the Co-op and the Lender.
- d. This loanstock is non-transferable – that is, may not be sold, given or otherwise transferred from the Lender to another party. However, in the event of the Lender's death, this loan shall form part of the Lender's estate and can be inherited by the Lender's successors along with any other assets.