

Pro-forma Confirmation Letter from Solicitors, Third Party Chargor

Dear Sirs

Third party legal charge over _____ to be granted by

_____ (the "Chargor(s)") in favour of Cynergy Bank Limited (the "Bank") in respect of

_____ (the

"Principal Debtor(s)") (the "Third Party Legal Charge")

This is to certify that the above Third Party Legal Charge has been executed in my presence by the Chargor(s).

Prior to the Third Party Legal Charge being executed I met with the Chargor(s) in a face-to-face meeting without the Principal Debtor(s) (or any representative of the Principal Debtor(s)) being present. Where joint Chargors were putting up security I met with each Chargor separately, without the other being present.

I explained to the Chargor(s):

- that, in giving this advice, I was his/her/their solicitor and was not acting for the **Bank**;
- why the Bank has asked me to give advice; and
- that if later on there are any allegations of undue or improper influence or allegations that the transactions and its implications were not understood, the Bank would rely on my advice to the Chargor(s) to prevent such allegations affecting the validity of the Third Party Legal Charge and any supporting security.

I confirm that prior to the Third Party Legal Charge being executed I carried out the following:-

1. I explained, in non-technical language, the nature of the Third Party Legal Charge.
2. I explained the practical consequences of signing the Third Party Legal Charge and, where appropriate, the possibility of the Property being lost if the business being supported were to fail or if the Principal Debtor(s) otherwise defaulted.
3. I explained the purpose and amount of the Facility being supported by the Third Party Legal Charge and the main terms of the Third Party Legal Charge document, together with the underlying obligations of the Principal Debtor under the Facility. I explained that under the Third Party Legal Charge the Bank might increase the amount of the facility, or change its terms or grant a new facility to the Principal Debtor(s) without reference to the Chargor(s).
4. I have discussed with the Chargor(s) his/her/their financial means, including his/her/their understanding of the value of any property being charged.
5. I have discussed with the Chargor(s) the financial position of the Principal

Debtor(s), including his/her/their/its present indebtedness and the amount of any current overdrafts facilities.

6. I have informed the Chargor (or each where there are more than one) that he/she has a choice as to whether to give the Third Party Legal Charge and that the decision to do so rests solely with him/her.
7. The Chargor (or each of them where there is more than one) has informed me that the reason he/she is prepared to give the proposed Third Party Legal Charge is:
8. I have obtained confirmation from the Chargor (or each where there are more than one) that he/she wishes to proceed. He/she assures me that no undue pressure has been used by any person in order to influence his/her behaviour in the matter, and that the Third Party Legal Charge is being executed of his/her own free will.
9. I have obtained authority from the Chargor(s) to write to the Bank giving the assurances and confirmations set out in this letter. I have not been asked by the Chargor(s) to raise any issues with the Bank concerning this transaction.
10. If I or my firm are also retained by the Principal Debtor(s), I confirm that I have considered carefully whether there is any conflict of interest between the Chargor(s) and my other clients. I have decided that I am in a position to advise the Chargor(s) in this matter.
11. I have given a copy of this letter to the Chargor(s).

Yours faithfully

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on behalf of _____