

**WARNING NOTICE**

TO : [the Borrower [and]/ Guarantor [and]/ Mortgagor (depending on who act in the position as the third party surety regarding the proposed borrowing )\*

**Mortgagor** :  
**Borrower** : [ ]  
**Guarantor** : [ ]  
**Property** :  
**Lender** :

1. The Mortgagor [and the Borrower]\* have applied to the Lender for banking facilities /mortgage loan to an extent of HK \$ [ ] to be granted to the Mortgagor [and the Borrower]\* on the security of a mortgage to be taken out on the Property and [on the security of the Deed of Guarantee (“the Guarantee”) to be executed by the Guarantor]\*.
2. Before you sign the mortgage and the other security documents [including the Guarantee]\* which you have to sign if you go on with the transaction you should instruct a solicitor to protect your interests and to ensure that your rights and liabilities under the security documents are properly protected.
3. YOU ARE RECOMMENDED TO INSTRUCT YOUR OWN SOLICITOR who will be able at every stage of the transaction to protect your interest and to give you independent legal advice.
4. You may also instruct the Lender’s solicitors to advise you in this transaction. But if a conflict arises between you and the Lender and the other party to the transaction, the Lender’s solicitors will not be able to protect your interests and you will then have to instruct your own solicitor, in which case the total fees you will have to pay may be higher than the fees which you would have paid had you instructed your own solicitor in the first place.
5. Although the Lender’s solicitors will be providing you with the financial information of the Borrower, the Mortgagor, the Guarantor and any co-Borrower, co-Mortgagor and co-Guarantor\* provided by the Lender, YOU ARE STRONGLY ADVISED to obtain the financial information of the Borrower, the Mortgagor, the Guarantor and any co-Borrower, co-Mortgagor and co-Guarantor\* and engage your own financial adviser to advise you on such financial information before signing and executing the security documents.
6. Your liability under the Mortgage and the Guarantee\* will be unlimited / limited to an amount of HK\$[ ] if you decide to go on with the transaction by signing and executing the Mortgage and the Guarantee\*
7. You also have the choice not to proceed with the transaction in connection with the banking facilities/ mortgage loan to be granted to the Mortgagor/ Borrower\*.
8. Please think carefully before deciding whether to instruct your own independent solicitor, or the Lender’s solicitors to protect your interests and whether to proceed with the transaction. You are free to choose whichever option you prefer.

I/We acknowledge receipt of a copy of this warning and fully understand the contents thereof.

Dated this day of 20 .

\* Delete if applicable