



**Registration of a Charge**

Company name: **HMG INVESTMENTS LIMITED**

Company number: **00460732**



X90A329M

Received for Electronic Filing: **06/03/2020**

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**Details of Charge**

Date of creation: **28/02/2020**

Charge code: **0046 0732 0064**

Persons entitled: **SANTANDER UK PLC**

Brief description: **THE LAND AND BUILDINGS KNOWN AS HAW BANK HOUSE, HIGH STREET, CHEADLE, CHESHIRE SK8 1AL: TITLE NUMBERS GM349594 AND GM709968**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**





## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 460732

Charge code: 0046 0732 0064

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th February 2020 and created by HMG INVESTMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th March 2020 .

Given at Companies House, Cardiff on 9th March 2020

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

DATED 28 February 2020

HMG INVESTMENTS LIMITED (1)

and

SANTANDER UK PLC (2)

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**SECURITY AGREEMENT**  
relating to property as more particularly set out in  
Schedule 1

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DATE OF SECURITY AGREEMENT

28 February

2020

**PARTIES**

- (1) **HMG INVESTMENTS LIMITED** a company incorporated in England and Wales (with registered number 00460732) whose registered office is at St John's House, Barrington Road, Altrincham, Cheshire, WA14 1TJ (the "**Chargor**"); and
- (2) **SANTANDER UK PLC** of 2 Triton Square, Regent's Place, London, NW1 3AN (the "**Security Agent**")

**INTRODUCTION**

- A The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).
- B It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED THAT:**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed:

**"Act"** means the Law of Property Act 1925.

**"Facility Agreement"** means the £45,328,000 term loan Facility Agreement originally dated 25 March 2014 as amended and restated on 25 May 2017 and made between (among others) the Chargor and the Security Agent.

**"Mortgaged Property"** means all freehold or leasehold property included in the definition of Security Asset.

**"Party"** means a party to this Deed.

**"Real Property"** means the real property (if any) specified in Schedule 1.

**"Receiver"** means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

**"Relevant Contract"** means:

- (a) a Lease Document;
- (b) a document appointing a Managing Agent; and
- (c) any document designated in writing as such by the Agent and the Chargor.

**"Security Asset"** means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

**"Secured Liabilities"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Security Agent under each Finance Document.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

## 1.2 Construction

- (a) Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
  - (i) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (ii) any rights in respect of an asset includes:
    - (A) all amounts and proceeds paid or payable;
    - (B) all rights to make any demand or claim; and
    - (C) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset; and
  - (iii) the term this Security means any Security created by this Deed.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent reasonably considers that an amount paid to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will

not be considered to have been irrevocably paid for the purposes of this Deed.

- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

### **1.3 Third Party Rights**

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

### **1.4 Conflict with Facility Agreement**

If there is any conflict between the provisions of this Deed and the provisions of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

## **2 CREATION OF SECURITY**

### **2.1 General**

- (a) The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the security created under this Deed:
  - (i) is created in favour of the Security Agent;
  - (ii) is created over present and future assets of the Chargor only situated in England and Wales;
  - (iii) is security for the payment of all the Secured Liabilities; and
  - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### **2.2 Land**

- (a) The Chargor charges by way of a first legal mortgage the Real Property owned by it.
- (b) A reference in this clause 2 to a mortgage of any freehold or leasehold property includes:



- (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

### **2.3 Plant and Machinery**

To the extent that they are not the subject of a mortgage under clause 2.2 (Land), the Chargor charges by way of a first fixed charge all plant and machinery owned by the Chargor and its interest in any plant or machinery in its possession, in each case in respect of the Real Property.

### **2.4 Other Contracts**

- (a) The Chargor:
  - (i) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any guarantee of Rental Income contained in or relating to any Lease Document which relates to any Real Property;
  - (ii) under each Relevant Contract which relates to any Real Property; and
- (b) To the extent that they have not been effectively assigned under paragraph (a)(i) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a)(i) above.

## **3 RESTRICTIONS ON DEALINGS**

### **3.1 Security**

Except as expressly allowed under the Finance Documents, the Chargor shall not create or permit to subsist any Security on any Security Asset.

### **3.2 Disposals**

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset without the prior written consent of the Security Agent.

## **4 LAND**

### **4.1 Notices to Tenants**

Following an Event of Default which is continuing, the Chargor must, at the request of the Security Agent:

- (a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (Forms of Letter for Occupational Tenants), on each tenant of a Mortgaged Property, such notice to be served:

- (i) for all tenants in place on that date; and
  - (ii) for any new tenant, promptly upon such tenant entering into a Lease Document (in such case indicating the details of the Rent Account or other account specified by the Security Agent); and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (Forms of Letter for Occupational Tenants).

#### **4.2 Land Registry**

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [ ] referred to in the charges register or their conveyancer. (Standard Form P)".

### **5 OTHER CONTRACTS**

Following an Event of Default which is continuing, the Chargor must, at the request of the Security Agent:

- (a) immediately serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 3 (Forms of Letter for Other Contracts), on each counterparty to a contract listed in clause 2.4 (Other contracts); and
- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 3 (Forms of Letter for Other Contracts).

### **6 WHEN SECURITY BECOMES ENFORCEABLE**

#### **6.1 Event of Default**

This Security will become immediately enforceable if an Event of Default occurs and is continuing.

#### **6.2 Discretion**

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facility Agreement.

#### **6.3 Statutory Powers**

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

## **7 ENFORCEMENT OF SECURITY**

### **7.1 General**

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed (although any rights in relation to the Secured Liabilities are only exercisable when the Security is enforceable).
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

### **7.2 No Liability as Mortgagee in Possession**

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.

### **7.3 Privileges**

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

### **7.4 Protection of Third Parties**

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

### **7.5 Redemption of Prior Mortgages**

- (a) At any time after this Security has become enforceable, the Security Agent may:
  - (i) redeem any prior Security against any Security Asset; and/or

- (ii) procure the transfer of that Security to itself; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Agent, within three Business Days of demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

## 7.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

## 7.7 Financial Collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) Where any financial collateral is appropriated:
- (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
  - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

## 8 RECEIVER

### 8.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- (i) this Security has become enforceable; or
  - (ii) the Chargor so requests to the Security Agent at any time.

- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

## 8.2 **Removal**

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

## 8.3 **Remuneration**

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

## 8.4 **Agent of the Chargor**

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver except for any liabilities incurred by a Receiver arising from that Receiver's gross negligence, fraud or wilful misconduct.
- (b) The Security Agent will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

## 8.5 **Relationship with Security Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

## **9 POWERS OF RECEIVER**

### **9.1 General**

- (a) A Receiver has all of the rights, powers and discretions set out below in this clause 9 in addition to those conferred on it by any law. This includes:
  - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
  - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **9.2 Possession**

A Receiver may take immediate possession of, get in and realise any Security Asset.

### **9.3 Carry on Business**

A Receiver may carry on any business of the Chargor in any manner he/she thinks fit.

### **9.4 Employees**

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

### **9.5 Borrow Money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

### **9.6 Sale of Assets**

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

#### **9.7 Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

#### **9.8 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

#### **9.9 Legal Actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

#### **9.10 Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

#### **9.11 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

#### **9.12 Delegation**

A Receiver may delegate his/her powers in accordance with this Deed.

#### **9.13 Lending**

A Receiver may lend money or advance credit to any person.

#### **9.14 Protection of Assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

## **9.15 Other Powers**

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

## **10 APPLICATION OF PROCEEDS**

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facility Agreement. This clause 10:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of the Security Agent to recover any shortfall from the Chargor.

## **11 EXPENSES AND INDEMNITY**

The Chargor must:

- (a) within three Business Days of demand pay to the Security Agent the amount of all costs and expenses (including legal fees) incurred by the Security Agent in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep the Security Agent indemnified against any failure or delay in paying those costs or expenses.

## **12 DELEGATION**

### **12.1 Power of Attorney**

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

### **12.2 Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.



### **12.3 Liability**

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

## **13 FURTHER ASSURANCES**

- (a) The Chargor must promptly on request, at its own expense, take whatever action the Security Agent or a Receiver may require for:
  - (i) creating, perfecting or protecting any security over any Security Asset; or
  - (ii) after this Security has become enforceable, facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
  - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
  - (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary or desirable.

## **14 POWER OF ATTORNEY**

The Chargor, by way of security and for good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Chargor), irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed which it has failed to do or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause 14.

## **15 MISCELLANEOUS**

### **15.1 Continuing Security**

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

## **15.2 Tacking**

The Security Agent must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

## **15.3 New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset, the Security Agent may open a new account with the Chargor.
- (b) If the Security Agent does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Security Agent will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

## **15.4 Time Deposits**

Without prejudice to any right of set-off the Security Agent may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with the Security Agent within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which the Security Agent considers appropriate.

## **15.5 Notice to the Chargor**

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any Obligor and contained in any other Security Document.

## **16 RELEASE**

At the end of the Security Period, the Finance Parties must, at the request and cost of the Chargor, take whatever action is necessary to release its Security Assets from this Security.

## **17 GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

## SCHEDULE 1

### Real Property

Property	Owner	Title Number(s)
Haw Bank House, High Street, Cheadle, Cheshire SK8 1AL	HMG Investments Limited	GM349594 and GM709968

## SCHEDULE 2

### Forms of Letter for Occupational Tenants

#### PART 1

##### NOTICE TO OCCUPATIONAL TENANT

To: [Occupational tenant]

Copy: Santander UK Plc (as Security Agent as defined below)

[Date]

Dear Sirs,

Re: [Property address]

**Security Agreement dated [• ] between HMG Investments Limited and Santander UK Plc ("Security Agreement")**

We refer to the lease dated [• ] and made between [• ] and [• ] ("**Lease**").

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (subject to a proviso for re-assignment on redemption) to Santander UK Plc (the "**Security Agent**") all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease.

We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to continue to pay all rent and all other moneys payable by you under the Lease to the account as already instructed by us or such other account as the Security Agent may from time to time direct by written notice ("**Rent Account**").

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at 2 Triton Square, Regents Place, London NW1 3AN with a copy to us.

Yours faithfully,

.....  
(Authorised Signatory)

HMG Investments Limited

## PART 2

### ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: Santander UK Plc (as Security Agent)

Attention: [• ]

[Date]

Dear Sirs,

Re: **[Property address]**

**Security Agreement dated [• ] between HMG Investments Limited and Santander UK Plc (the Security Agreement)**

We confirm receipt from HMG Investments Limited (the Chargor) of a notice dated [• ] (the "Notice") in relation to the Lease (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received any notice of any prior security over the Lease or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease;
- (c) must continue to pay all rent and all other moneys payable by us under the Lease into the account referred to in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

For

[Occupational tenant]

## **SCHEDULE 3**

### **Forms of Letter for Other Contracts**

#### **PART 1**

##### **NOTICE TO COUNTERPARTY**

To: [Contract Counterparty]

Copy: Santander UK Plc (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [• ] between HMG Investments Limited and Santander UK plc (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely, subject to a proviso for re-assignment on redemption, to Santander UK plc all our rights in respect of [insert details of contract] (the Contract).

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at 2 Triton Square, Regents Place, London NW1 3AN with a copy to us.

Yours faithfully,

.....  
(Authorised signatory)

HMG Investments Limited



## PART 2

### ACKNOWLEDGEMENT OF COUNTERPARTY

To: Santander UK Plc (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**Security Agreement dated [• ] between HMG Investments Limited and Santander UK Plc (the Security Agreement)**

We confirm receipt from HMG Investments Limited (the Chargor) of a notice dated [• ] (the Notice) of an assignment on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the contract] (the Contract).

We confirm that we:

- (c) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (d) will give notices and make payments under the Contract as directed in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

## SIGNATORIES

EXECUTED and DELIVERED as a DEED )  
by HMG INVESTMENTS LIMITED )

  
HMG INVESTMENTS LIMITED

Title: CEO


Name: N.P. Casson

in the presence of:

Witness' Signature

Name of Witness:

Address of Witness:

  
ELIZABETH ABOUD  
The Hollins Murray Group  
St Johns House  
Barrington Road  
Altrincham  
WA14 1TJ

Occupation of Witness:

Solicitor

(Note: The above details are to be completed in the witness' own handwriting.)

**Security Agent**

**SANTANDER UK PLC**

By:

## SIGNATORIES

**EXECUTED and DELIVERED as a DEED )  
by HMG INVESTMENTS LIMITED )**

\_\_\_\_\_  
**HMG INVESTMENTS LIMITED**

) Title: \_\_\_\_\_

) Name: \_\_\_\_\_  
\_\_\_\_\_

in the presence of:

Witness' Signature \_\_\_\_\_

Name of Witness: \_\_\_\_\_

Address of Witness: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Occupation of Witness: \_\_\_\_\_

(Note: The above details are to be completed in the witness' own handwriting.)

**Security Agent**

**SANTANDER UK PLC**

By:

