



**Registration of a Charge**

Company name: **MALCOLM PROPERTIES (HOLDINGS) LIMITED**

Company number: **SC283167**



X8YQ4KTC

Received for Electronic Filing: **13/02/2020**

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**Details of Charge**

Date of creation: **04/02/2020**

Charge code: **SC28 3167 0022**

Persons entitled: **HSBC UK BANK PLC AS SECURITY TRUSTEE (REGISTERED NUMBER 09928412)**

Brief description: **ALL AND WHOLE THE SUBJECTS ON THE NORTH EAST SIDE OF BURNBRAE DRIVE PAISLEY BEING 4.4 HECTARES IN MEASUREMENT ON THE ORDNANCE MAP AND REGISTERED IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NUMBER REN124458.**

**Contains fixed charge(s).**

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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.**

Certified by:

**KAY CUTHBERTSON**



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

Company number: 283167

Charge code: SC28 3167 0022

The Registrar of Companies for Scotland hereby certifies that a charge dated 4th February 2020 and created by MALCOLM PROPERTIES (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th February 2020 .

Given at Companies House, Edinburgh on 13th February 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**

**(1) MALCOLM PROPERTIES (HOLDINGS) LIMITED**

**- and -**

**(2) HSBC UK BANK PLC**

**STANDARD SECURITY**

**relating to**

**Burnbrae Drive, Paisley**



**HSBC UK Bank plc**

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**THIS STANDARD SECURITY is made BETWEEN:-**

- (1) MALCOLM PROPERTIES (HOLDINGS) LIMITED**, a company incorporated and registered under the laws of Scotland with registered number SC283167 whose registered office is at Brookfield House 2 Burnbrae Drive, Linwood, Paisley, PA3 3BU (the "**Borrower**"); and
- (2) HSBC UK BANK PLC**, a company incorporated and registered under the laws of England and Wales with registered number 09928412 whose registered office is at 1 Centenary Square, Birmingham, United Kingdom, B1 1HQ as security trustee for the Secured Parties (as defined in the Facility Agreement defined below) (the "**Security Agent**").

**IT IS AGREED** as follows:-

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Standard Security:

- |                             |   |
|-----------------------------|---|
| <b>"Facility Agreement"</b> | means the facility agreement dated on or about the date of this Standard Security between (among others) the Chargor and the Security Agent.  |
| <b>"Headlease"</b>          | means any lease pursuant to which the Property is held  |
| <b>"Lease"</b>              | means any lease, sublease, tenancy, licence or other right of occupation to which the Property is from time to time subject together with any agreement to grant any such interest or right and any related guarantee or other security for the performance of the lessee's obligations   |
| <b>"Net Rental Income"</b>  | means Rental Income other than: <ol style="list-style-type: none"><li><b>(a)</b> any sum paid or payable by a tenant or other occupier of the Property to reimburse expenses incurred in the management, maintenance and repair of, or the provision of services specified in any Lease in respect of, the Property</li><li><b>(b)</b> any sum paid or payable by a tenant or other occupier of the Property for a breach of obligation under any Lease in respect of the items specified in paragraph (a) above and any related costs and expenses</li><li><b>(c)</b> any contribution to a sinking fund paid or payable by a tenant of the Property</li><li><b>(d)</b> any contribution to insurance premium</li><li><b>(e)</b> any contribution to the cost of an insurance valuation</li><li><b>(f)</b> any rent due under a Headlease and</li><li><b>(g)</b> any withholding or deduction on account of Tax or any VAT on any component of Rental Income</li></ol> |
| <b>"Obligor"</b>            | means the Borrower and any guarantor of the Secured Liabilities or any part of them   |

<b>"Property"</b>	means ALL and WHOLE the property specified in the Schedule ( <i>The Property</i> )
<b>"Rental Income"</b>	<p>means the aggregate of all amounts paid or payable to or for the benefit of any Obligor who has granted Security over the Property in connection with the letting, use or occupation of the Property including:</p> <ul style="list-style-type: none"> <li>(a) rents, licence fees and equivalent amounts in respect of the Property</li> <li>(b) any amount paid from any deposit held as security for the performance of any lessee's obligations under any Lease</li> <li>(c) any other monies paid or payable in respect of use and/or occupation of all or any part of the Property</li> <li>(d) any insurance proceeds in respect of loss of rent in respect of all or any part of the Property</li> <li>(e) any amount paid in respect of a breach of covenant under any Lease and any related costs and expenses</li> <li>(f) any amount equal to any apportionment of rent allowed in favour of any Obligor under a contract for the purchase of the Property</li> <li>(g) any sums payable in respect of the items set out in paragraphs (a) to (g) of the definition of Net Rental Income</li> <li>(h) any amount paid by a guarantor in respect of any item set out in paragraphs (a) to (g) above</li> <li>(i) any interest, damages or compensation in respect of any item set out in paragraphs (a) to (h) above and</li> <li>(j) any VAT on any amount set out in paragraphs (a) to (i) above</li> </ul>
<b>"Schedule"</b>	means the schedule annexed to this Standard Security
<b>"Secured Liabilities"</b>	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 any Secured Party under each Finance Document
<b>"Security"</b>	means the Security Interests created or intended to be created by or pursuant to this Standard Security
<b>"Security Agreement"</b>	means the security agreement entered into by the Chargor in favour of the Security Agent on or around the date of this Standard Security
<b>"Security Interest"</b>	means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

<b>"Security Period"</b>	means the period beginning on the date of this Standard Security and ending on the date on which the Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and all facilities made available to the Security Agent to the Chargor have been cancelled and all obligations of the Security Agent under the Hedging Agreement have been terminated
<b>"Standard Conditions"</b>	means the Standard Conditions specified in schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended and as may be further amended from time to time) and any lawful variation thereof operative for the time being all as varied by Clause 14 below (save to the extent that any variation would result in the security created by this Standard Security becoming void or unenforceable)
<b>"Subordination Agreement"</b>	means the subordination deed entered into on or around the date of this Standard Security between the Obligors and the Security Agent.
<b>"Tax"</b>	means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)
<b>"VAT"</b>	means Value Added Tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature

## 1.2 Interpretation

- 1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning in this Standard Security unless expressly defined in this Standard Security.
- 1.2.2 The provisions of clause 1.2 (Construction) of the Facility Agreement apply to this Standard Security as though they were set out in full in this Standard Security except that references to the Facility Agreement will be construed as references to this Standard Security.
- 1.2.3 In the event of any inconsistency between the Facility Agreement and the Standard Security, the provisions of the Facility Agreement will prevail.
- 1.2.4 Unless a contrary indication appears, any reference in this Standard Security to:
- (a) the "Security Agent" shall be construed to include its successors in title, permitted assigns and permitted transferees;
  - (b) "includes" or "including" shall be read and construed as including the phrase "without limitation";
  - (c) this "Standard Security" or any other agreement or instrument is a reference to this Standard Security, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);
  - (d) a provision of law is a reference to that provision as amended or re-enacted;
  - (e) the singular includes the plural and vice versa;
  - (f) any heritable property includes:
    - (i) all or any part of it;



- (ii) all buildings, fixtures (including trade fixtures), fittings and fixed plant or machinery at any time on that property;
- (iii) all servitudes, rights and agreements in respect of that property;
- (iv) all rents from and proceeds of sale of that property; and
- (v) the benefit of all covenants given in respect of that property.

1.2.5 References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Standard Security.

1.2.6 Clause headings are for ease of reference only and shall not affect the construction of this Standard Security.

### **1.3 Consistency**

1.3.1 The representations, warranties, undertakings and covenants relating to the Property contained in the Facility Agreement and the Security Agreement are incorporated herein, mutatis mutandis, and the Standard Conditions are varied in accordance therewith.

1.3.2 To the extent that the terms of:-

- (a) the Standard Conditions conflict with or are inconsistent with the terms of; or
- (b) the Standard Conditions, other than Standard Condition 8 – 12, create rights or obligations which do not otherwise appear in;

this Standard Security, the Facility Agreement, the Security Agreement or the Subordination Agreement then the terms of this Standard Security, then

- (c) the Facility Agreement, the Security Agreement and the Subordination Agreement (as applicable) shall (to the extent of that conflict or inconsistency and to the extent permitted by law) prevail and have effect in preference to the Standard Conditions.; and
- (d) any such rights or obligations shall not apply and shall not be binding upon the Chargor.

1.3.3 To the extent that there is any conflict or inconsistency between (i) any provision of this Standard Security and (ii) any provision of the Facility Agreement, the Security Agreement and/or the Subordination Agreement then the provisions of the Facility Agreement, the Security Agreement or the Subordination Agreement (as the case may be) shall (to the extent of that conflict or inconsistency and to the extent permitted by law) prevail.

### **1.4 Third Party Rights**

1.4.1 Unless expressly provided in this Standard Security (including in Clause 1.4.3), a person who is not a party to this Standard Security has no right under the Contract (Third Party Rights) (Scotland) Act 2017 or otherwise to enforce or to enjoy the benefit of any term of this Standard Security.

1.4.2 Notwithstanding any term of this Standard Security, the consent of any person who is not a party to this Standard Security is not required to rescind or vary this Standard Security at any time.

1.4.3 Any administrator, Delegate, Hedging Counterparty, Receiver and any attorney appointed under the Finance Documents may enforce and/or enjoy the benefit of any term of this Standard Security.

## **2. GRANT OF SECURITY AND UNDERTAKING TO PAY**

### **2.1 Undertaking**

We, the Borrower, hereby undertake to pay and discharge to the Security Agent the Secured Liabilities.

### **2.2 Grant**

We, the Borrower, do hereby in security of the Secured Liabilities GRANT a Standard Security in favour of the Security Agent over ALL and WHOLE the Property.

## **3. STANDARD CONDITIONS**

### **3.1 Standard Conditions to apply**

**3.2** The Standard Conditions shall apply (save to the extent that they are prevented by law or otherwise amended pursuant to Clause 13 (Standard Conditions) below and the Facility Agreement) and under declaration that the terms "debtor" and "creditor" in the Standard Conditions shall refer to the Borrower and the Security Agent respectively.

## **4. INCORPORATION OF SCHEDULE**

The Schedule forms part of this Standard Security and the Borrower undertakes to comply fully with its obligations (if any) set out in the Schedule.

## **5. CONTINUING SECURITY**

This Standard Security shall be a continuing security for the liabilities and obligations secured hereby notwithstanding any intermediate payment or settlement of all or any part of such liabilities and obligations or other matter or thing whatsoever until the said liabilities and obligations have been discharged in full. This Standard Security shall be in addition to and shall not either prejudice or be prejudiced by any other security, guarantee, right or remedy of whatever sort, held by or available to the Security Agent at any time for the said liabilities and obligations and will not be affected by the Security Agent at any time failing to enforce, releasing, or varying any such other security, guarantee, right or remedy.

## **6. GRANT OF FURTHER SECURITY**

If the Security Agent receives notice that any security interest has been created over the Property, the Security Agent will (to the extent that it has not immediately done so) be treated as if it had immediately opened a new account in the name of the Borrower and all payments received by the Security Agent from the Borrower will (notwithstanding any instructions from the Borrower to the contrary) be treated as if they had been credited to the new account and will not reduce the amount then due by the Borrower to the Security Agent.

## **7. NO WAIVER**

No failure to exercise nor any delay in exercising any right or remedy under this Standard Security against the Borrower shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

## **8. COSTS**

Clauses 16 (*Other Indemnities*) and 18 (*Costs and Expenses*) of the Facility Agreement shall apply to this Standard Security as if set out here in full but so that references to the Finance Documents shall be construed as references to this Standard Security and any Security created by or under it.

## **9. CERTIFICATION**

Clause 34.2 (*Certificates and determinations*) of the Facility Agreement shall apply to this Standard Security as if set out here in full but so that references to the Finance Documents shall be construed as references to this Standard Security and any Security created by or under it.

#### **10. NOTICES**

Without prejudice to the provisions regarding notices contained in the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended and as may be further amended from time to time), any communication to be made under or in connection with this Standard Security or the Standard Conditions shall be made and given in accordance with the terms of Clause 33 (*Notices*) of the Facility Agreement.

#### **11. TRANSFER**

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Standard Security or any other Security created by or under it in accordance with the terms of the Finance Documents.

#### **12. CONFIDENTIALITY**

Clause 38 (*Confidentiality*) of the Facility Agreement shall apply to this Standard Security as if set out here in full but so that references to the Finance Documents shall be construed as references to this Standard Security and any Security created by or under it.

#### **13. PARTIAL INVALIDITY**

Clause 35 (*Partial Invalidity*) of the Facility Agreement shall apply to this Standard Security as if set out here in full but so that references to the Finance Documents shall be construed as references to this Standard Security and any Security created by or under it.

#### **14. STANDARD CONDITIONS**

The Standard Conditions shall be varied as follows:

##### **14.1 Standard Condition 1**

Standard Condition 1 shall be deleted and replaced by the following:

"1. It shall be an obligation on the Borrower:

- (a) to maintain and repair all buildings and other erections, any services for such buildings and erections and any fixtures and fittings at any time in and upon the Property so that they are at all times in good and substantial repair and condition in every respect and (whenever necessary for the purpose of ensuring that the same are kept at all times in such repair and condition) to renew, rebuild and reinstate the same and generally in all respects to keep the same in good and substantial repair and condition, decorated in a good and workmanlike manner with good quality materials, and clean and tidy, all to the reasonable satisfaction of the Security Agent;
- (b) to permit the Security Agent (and any person authorised by it) at all times and upon reasonable prior written notice (except in an emergency when no notice shall be required) to enter upon the Property to examine the state of repair and condition of the same and to leave at the Property written notice of any repairs and defects which the Security Agent or that person considers must be carried out to preserve the marketability and/or value of the Property;
- (c) well and substantially to make good all repairs and defects affecting the Property specified in such notice within such reasonable period as the Security Agent may specify in such notice (and if the Borrower fails satisfactorily to comply with such

notice the Security Agent and all persons authorised by it may (without prejudice to any other rights and remedies available to the Security Agent) enter the Property, with or without workmen and/or equipment, to execute the relevant works and the cost of doing so (together with legal and surveyors' fees and any Value Added Tax) will be repayable by the Borrower to the Security Agent upon demand); and:

- (d) to carry out any energy efficiency improvements necessary, or take any other steps necessary, to ensure that at all times each part of any Property which is designed to be let can be let or can continue to be let without breaching any applicable laws or regulations in respect of minimum levels of energy efficiency for properties."

#### 14.2 **Standard Condition 2**

Standard Condition 2 shall be deleted and replaced by the following:

2. "It shall be an obligation on the Borrower:

- (a) to complete, without delay (and in any event within such period of time as the Security Agent may require) and in a proper manner, any unfinished buildings, other erections and works at any time forming part of the Property, in accordance with all consents, licences and approvals required by law ("**necessary consents**") for the same and to the satisfaction of the Security Agent and of any relevant authorities and upon request to exhibit to the Security Agent evidence of the necessary consents for the same having been obtained;
- (b) not, without the prior written consent of the Security Agent and without all necessary consents for the same, to demolish, or make any structural alteration or addition to any buildings or other erections or works forming the whole or part of the Property, whether internal or external;
- (c) to carry out any demolition, structural alteration or addition permitted in terms of Condition 2(b) above in accordance with all necessary consents and to the satisfaction of the Security Agent and of any relevant authorities and upon request to exhibit to the Security Agent evidence of the necessary consents for the same having been obtained;
- (d) not, without the prior written consent of the Security Agent, to apply for (i) any improvement grant or other grant in respect of the whole or any part of the Property; and (ii) any planning permission for the development or change of use of the Property;
- (e) not to do or omit to do (or permit to be done or omitted) anything which might adversely affect the marketability or value of the Property."

#### 14.3 **Standard Condition 3**

Standard Condition 3 shall be varied by adding the following obligations as new Conditions 3(d), 3(e), 3(f) and 3(g):

- "(d) to observe and perform the burdens, obligations, agreements, conditions and others contained or referred to in the title deeds (and applicable leasehold documentation) for the Property (so far as they are still subsisting and capable of taking effect and relate to the Property) and to comply with every obligation relating to the Property (including where the Property comprise the tenant's interest under a lease, to pay all rents and other sums due under that lease and to enforce performance by the landlord of its obligations under that lease);

- (e) to ensure that all necessary consents in respect of or affecting the Property are obtained and are being complied with at all times and that the statutes, orders, bye-laws, statutory instruments, regulations, other subordinate legislation and codes of practice of any governmental, local or other competent authorities affecting the Property will be complied with at all times;
- (f) to use the Property only for such purpose as may for the time being be authorised as a permitted use under or by virtue of any applicable authorisation, (including any consent, approval, resolution, licence, planning permission, exemption, filing or registration) or any regulations, (including any rule, official directive, notice, guideline or order (whether or not having the force of law)) of any governmental body, agency, department, court, tribunal or regulatory authority or organisation;
- (g) if the Borrower at any time while this Standard Security is in force, holds any licence or consent required to carry out any business or operation on the Property, the Borrower shall:
  - (i) not do or omit to do (or allow to be done or omitted) anything which may prejudice the contractual existence or renewal of such licence or consent;
  - (ii) obtain, maintain and renew such licence or consent upon terms acceptable to the Security Agent and, upon request by the Security Agent, exhibit such licence or consent to the Security Agent;
  - (iii) notify the Security Agent immediately upon becoming aware of anything likely to affect the continued existence or renewal of such licence or consent or to result in the conditions upon which such licence or consent was granted to be altered;
  - (iv) insure and keep such licence or consent insured against loss, termination or non-renewal on such terms and for such sums as the Security Agent may from time to time require in writing and the provisions of Standard Condition 5 (as varied by this Standard Security) shall apply to such insurance as if they were now repeated."

#### 14.4 Standard Condition 4

Standard Condition 4 shall be deleted and replaced by the following:

"4. It shall be an obligation on the Borrower:-

- (a) to notify the Security Agent immediately upon receipt by the Borrower of any application, requirement, order or notice or of any amendment of the same or of any proposal for the making or issuing of the same ("**Requirement**") served or given by any person or authority (including the Borrower's landlord if the Property are the tenant's interest under a lease) affecting or likely to affect the Property or their use and at the same time to produce a copy of the same to the Security Agent and inform it of the steps proposed to be taken to comply with any such Requirement or, as the case may be, to object to it;
- (b) at the Borrower's expense, to take all such actions (including commencing legal proceedings) and within such timescale(s) as the Security Agent may require in connection with any such Requirement (including objecting or joining with the Security Agent in objecting to or in making representations against the same) and if the Borrower fails to do so, to permit the Security Agent to take such action (including commencing legal proceedings) as it thinks fit in connection with any such Requirement, whether or not in the name of the Borrower (and any costs incurred by the Security Agent in so doing will be repayable by the Borrower to Security Agent upon demand);

- (c) without prejudice to Condition 4(b) above, at the Borrower's expense to take, as soon as practicable, all reasonable and necessary steps to comply with any such Requirement or, as the case may be, to object to the same; and
- (d) if the Security Agent so requires, to object or to join with the Security Agent in objecting to any such Requirement or in making representations against any proposal for the same."

#### 14.5 **Standard Condition 5**

Standard Condition 5 shall be deleted and replaced by the following:-

"5.

- (a) The Borrower must ensure that at all times it benefits from and each other Obligor benefits from insurance against third party and public liability risks and that the Property is insured against:
  - (i) loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft (other than hostile aircraft) and other aerial devices and articles dropped from them, riot, terrorism, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes, and subsidence; and
  - (ii) such other risks and contingencies as are insured against in accordance with sound commercial practice or which the Security Agent may direct from time to time to the full reinstatement value thereof with adequate provision also being made for:-
    - (1) the cost of clearing the site, demolition, shoring or propping up and architects', engineers', surveyors' and other professional fees incidental thereto and value added tax on such costs and fees (together with provision for future inflation); and
    - (2) the loss of rents or prospective rents for a period of not less than three years or such other period as the Security Agent may direct and having regard to any potential increases in rent as a result of reviews.
- (b) The Borrower must ensure at all times that all insurance policies:
  - (i) contain a mortgagee clause whereby such insurance policy will not be vitiated or avoided as against a mortgagee or security holder in the event of or as a result of any circumstances beyond the control of that insured party or any misrepresentation, breach of any policy term or condition, act or neglect or failure to make disclosure on the part of any other insured party or any agent of any other insured party;
  - (ii) name the Security Agent as co-insured on a composite basis in respect of its own separate insurable interest (other than in respect of any public liability and third party liability insurance policies);
  - (iii) contain a loss payee clause under which the Security Agent is named as first loss payee in respect of any claim or series of connected claims in excess of £10,000 (other than in respect of any claim under any public liability and third party liability insurances);
  - (iv) contain a "tenant's clause" in the following or similar terms:

*"The insurance hereby effected shall not be prejudiced by any act or omission unknown to or beyond the control of the insured on the part of any tenant occupying or using the premises, provided that the insured immediately on becoming aware thereof shall give notice to the insurers and pay an additional premium if required";*

(v) contain terms providing that each insurer must give at least 30 days' notice to the Security Agent if it proposes to:

- (1) repudiate, rescind or cancel any insurance policy;
- (2) treat any insurance policy as avoided in whole or in part;
- (3) treat any insurance policy as expired due to non-payment of premium; or
- (4) otherwise decline any claim under any insurance policy by or on behalf of any insured party,

and, in respect of paragraph 5(b)(v)(3) above, must in the notice give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period; and

(vi) contain terms providing that the Security Agent shall have no duty of disclosure to the insurance company or underwriters and has no liability to pay any unpaid premium;

(vii) contain a waiver of the rights of subrogation of the insurer as against each Obligor, the Security Agent and the tenants of the Property;

(viii) are in an amount and form acceptable to the Security Agent; and

(ix) are with an insurance company or underwriters acceptable to the Security Agent.

(c) The relevant Obligor must be free to assign or otherwise grant Security Interests over all amounts payable to it under each insurance policy and all its rights in connection with those amounts in favour of the Security Agent.

(d) If the Security Agent requests, the Borrower must promptly provide a copy of each insurance policy together with evidence of payment of the premiums and such other information in connection with the insurance policies as the Security Agent requests.

(e) If the Security Agent considers that the amount insured, or the risks covered, by any insurance policy is/are inadequate, the Borrower must increase the amount insured and/or require the category of risks covered to be amended to such extent and in such manner as the Security Agent considers appropriate.

(f) The Borrower must:

- (i) comply, and procure that each other Obligor will comply, with the terms of the insurance policies;
- (ii) ensure that all things necessary to keep all the insurance policies in force are done promptly including the punctual payment of premiums; and
- (iii) notify the Security Agent of premiums paid, renewals made, material variations and cancellations of insurance policies made or, to the

knowledge of the insured, threatened or pending and any claim or any actual or threatened refusal of a claim.

- (g) The Borrower must not allow anything to occur which may make any insurance policy void or voidable.
- (h) If the Borrower does not comply, the Security Agent may (without any obligation to do so) effect or renew any such insurance policy either in its own name, or together with the Borrower in such sum and on such terms as the Security Agent may reasonably think expedient and all monies expended by the Security Agent will be deemed to be properly paid by the relevant person and shall be reimbursed by the Borrower on demand.
- (i) The Borrower must apply (and shall ensure that each other Obligor applies) sums received under any insurance policy effected pursuant to this Standard Condition 5 as follows:
  - (i) if the Borrower or other relevant Obligor is required by a Lease to apply the sums in a particular way, then it must do so;
  - (ii) amounts received under liability policies held by an Obligor which are required by that Obligor to satisfy established liabilities of the Obligor to third parties must be used to satisfy these liabilities; and
  - (iii) the proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Security Agent (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent;
- (j) otherwise the Borrower must (and shall procure that the relevant Obligor will) pay all sums received into an account held with the Security Agent as directed by the Security Agent and, at the option of the Security Agent, either:
  - (i) apply the sums towards making good the loss or damage to which they relate; or
  - (ii) apply the sums towards prepayment of the Secured Liabilities."

#### 14.6 Standard Condition 6

Standard Condition 6 shall be deleted and replaced by the following:

- "6.
- (a) The Borrower shall not, without the prior written consent of the Security Agent, grant or agree to grant (whether in exercise or independently of any statutory power) any Lease or confer upon any person any contractual licence or right to occupy the Property.
  - (b) The Borrower shall not, without the prior written consent of the Security Agent, grant or accept a surrender of, vary the terms of, agree to any change of use under, or consent to an assignment, transfer or sub-let of any Lease or tenancy of all or any part of the Property and nor shall the Borrower, without such prior written consent, agree to do any of the foregoing.
  - (c) The Borrower shall enforce the prompt payment of the rents and other sums payable by any tenant, licensee or occupier of all or any part of the Property and shall procure that any such tenant, licensee or occupier complies fully with the terms of its Lease.



- (d) The Borrower shall take all requisite steps to ensure that each rent review imposed by any Lease of all or part of the Property is agreed or determined as quickly as possible for the best rent reasonably obtainable.
- (e) The Borrower shall not (whether absolutely or in security) sell, assign, transfer or otherwise dispose of all or any part of or interest in the Property or agree to do so without the prior written consent of the Security Agent.
- (f) The Borrower shall not create, agree to create or allow to be created any security, charge (whether fixed or floating) or lien of any kind whatsoever over the Property without the prior written consent of the Security Agent (except where the same is in favour of the Security Agent).
- (g) The Borrower shall not create or allow to be created any real burden, title condition or overriding interest (as defined in section 28(1) of the Land Registration (Scotland) Act 1979 (as amended from time to time)) affecting the Property (or any part thereof).
- (h) The Borrower shall, promptly upon request by the Security Agent, deposit with the Security Agent all title deeds, leasehold documentation and planning permissions relating to the Property.
- (i) The Borrower shall not, without the prior written consent of the Security Agent, grant or agree to grant any access right to or over the Property or any part of it.
- (j) The Borrower shall not deal with any claim for compensation, howsoever arising, in respect of all or any part of the Property, other than in accordance with the Security Agent's requirements and if so requested by the Security Agent, shall pay to the Security Agent (in reduction of the Secured Liabilities) all or any part of such compensation."

#### 14.7 **Standard Condition 7**

Standard Condition 7 shall be varied by adding the following obligation as a new Condition 7(4), to which the terms of Standard Condition 7(3) shall apply (with reference to Clause 14.1 and 14.5 being taken to be reference to Standard Condition 1 and Standard Condition 5 respectively, in each case as amended by this Clause 14):

- "(4) If the Borrower fails to comply with its obligations in Clauses 14.1 and 14.5 regarding the repair of and insurance of the Property or fails to observe or perform any of the obligations or stipulations contained in the title deeds and/or any leasehold documentation affecting them or if a default of the Borrower in performance of its obligations in terms of this Standard Security or any other document evidencing the facilities to which the Secured Liabilities relate occurs the Borrower will permit the Security Agent or its agents:
  - (a) to enter on the Property and to comply with or object to any notice served on the Borrower in respect of the Property; and
  - (b) to effect such repairs and/or insurance and generally do such things and pay all such costs, charges and expenses as the Security Agent may consider necessary or desirable to prevent or remedy any breach of obligation or stipulation or to comply with or object to any notice."

#### 14.8 **Standard Condition 9(1)**

Standard Condition 9(1) shall be varied as follows:

In addition to the events of default set out in Standard Condition 9(1), the Borrower shall be held to be in default if any of the events constituting a default of the Borrower in

performance of its obligations in terms of this Standard Security or any other document evidencing the facilities to which the Secured Liabilities relate shall occur.

#### 14.9 **Standard Condition 10**

Standard Condition 10 shall be varied by adding the following as new Standard Conditions 10(8) and 10(9):

- "(8) If the Security Agent shall enter into possession of the Property, the Security Agent may (at the Borrower's expense and risk and as the agent of the Borrower) remove, store, sell or otherwise deal with any moveable items left in or at the Property and the Security Agent shall not be liable to the Borrower for any loss or damage caused by the same and the Security Agent will pay the net proceeds of sale of such moveable items (after deducting all costs and expenses incurred by the Security Agent in connection with such removal, storage, and dealing) to the Borrower as soon as reasonably practicable.
- (9) The Security Agent may (in addition to the powers specified in this Standard Condition 10):
- (i) at any time after entering into possession of the Property relinquish such possession on giving written notice to the Borrower;
  - (ii) if the Property is the tenant's interest under a lease, vary the terms of or surrender the lease (declaring that the Borrower irrevocably and by way of security appoints the Security Agent as its attorney for it and in its name and on its behalf to execute and deliver and otherwise perfect any document which may be required of the Borrower under this Standard Security or may be required in the exercise of the Security Agent's rights under this Standard Security or otherwise for any purpose connected with this Standard Security);
  - (iii) bring or defend any proceedings in the name of the Borrower in relation to the Property as the Security Agent thinks fit;
  - (iv) exercise on behalf of the Borrower all or any of the powers given to landlords and tenants (as the case may be) in respect of the Property but without incurring any liability in respect of the powers so exercised;
  - (v) sell, let, grant licences of, vary the terms of or terminate or accept any surrender of leases or tenancies of all or any part of the Property or grant any option over all or any part of the Property on such terms and conditions (including as to the payment of money) as the Security Agent thinks fit (in its absolute discretion);
  - (vi) do all such other acts and things as may be considered by the Security Agent to be necessary for or incidental to any of the powers contained in the said Standard Conditions or otherwise preserve, improve, sell or assign the Property."

#### 15. **REPRESENTATIONS**

Clause 19 (*Representations*) of the Facility Agreement shall apply to this Standard Security as if set out here in full but so that references to the Finance Documents shall be construed as references to this Standard Security and any Security created by or under it.

#### 16. **RELEASES**

16.1 Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release and reassign to the Chargor:

16.1.1 its rights arising under this Standard Security;

16.1.2 the Property from the Security created by and under this Standard Security,

16.1.3 and return all documents or deeds of title delivered to it under this Standard Security.

**17. CHOICE OF LAW**

This Standard Security and any non-contractual disputes arising from it shall be governed by, and construed in accordance with the law of Scotland and, for the benefit of the Security Agent, the Borrower irrevocably submits to the exclusive jurisdiction of the Scottish Courts without prejudice to the ability of the Security Agent to proceed against the Borrower in any other appropriate jurisdiction.

**18. WARRANDICE**

The Borrower grants warrandice BUT EXCEPTING THEREFROM the lease between Malcolm Properties (Holdings) Limited and W.H. Malcolm Limited dated 8 December 2008 .

**IN WITNESS WHEREOF:** these presents consisting of this and the preceding 13 pages together with the Schedule are executed as follows:-

SUBSCRIBED for and on behalf of  
the said MALCOLM PROPERTIES  
(HOLDINGS) LIMITED

at Glasgow  
on 24 January 2020

by WALTER MALCOLM  
Print Full Name

  
Director

before this witness

NERIEL MILLER  
Print Full Name

  
Witness

Address:

120 Bathwell Street  
Glasgow  
G2 7JL

SUBSCRIBED for and on behalf of  
the said HSBC UK BANK PLC

at HSBC, Manchester

on 28 January 2020

by SEAN SHEFFIELD

Print Full Name

  
Director Authorised Signatory

before this witness

SAIMA RASOOL

Print Full Name

  
Witness

Address

Shoosmiths LLP

The XYZ Building

2 Hardman Boulevard

Spinningfields

Manchester

M3 3AZ



SUBSCRIBED for and on behalf of  
the said HSBC UK BANK PLC

at

on

by

\_\_\_\_\_  
Print Full Name

\_\_\_\_\_  
Director

before this witness

\_\_\_\_\_  
Print Full Name

\_\_\_\_\_  
Witness

Address

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**This is the Schedule referred to in the foregoing Standard Security granted by MALCOLM PROPERTIES (HOLDINGS) LIMITED in favour of HSBC UK BANK PLC**

**SCHEDULE**

ALL and WHOLE the subjects on the north east side of Burnbrae Drive Paisley being 4.4 hectares in measurement on the ordnance map and registered in the Land Register of Scotland under Title Number REN124458



For and on behalf of the Borrower

\*\*\*\*\*

For and on behalf of HSBC UK BANK PLC

This is the Schedule referred to in the foregoing Standard Security granted by MALCOLM PROPERTIES (HOLDINGS) LIMITED in favour of HSBC UK BANK PLC

**SCHEDULE**

ALL and WHOLE the subjects on the north east side of Burnbrae Drive Paisley being 4.4 hectares in measurement on the ordnance map and registered in the Land Register of Scotland under Title Number REN124458

.....  
For and on behalf of the Borrower



.....  
For and on behalf of HSBC UK BANK PLC



