



**Registration of a Charge**

Company name: **HMG PROPERTIES LIMITED**

Company number: **00012255**

Received for Electronic Filing: **28/03/2014**



X34LW8GZ

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**Details of Charge**

Date of creation: **25/03/2014**

Charge code: **0001 2255 0002**

Persons entitled: **ABBAY NATIONAL TREASURY SERVICES PLC AS SECURITY AGENT**

Brief description: **ERLESDENE, GREEN WALK, BOWDON, CHESHIRE, WA14 2SL WITH  
TITLE NUMBER GM628005.**

**Contains fixed charge(s).**

**Notification of addition to or amendment of charge.**

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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:

**PINSENT MASONS LLP**



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

Company number: 12255

Charge code: 0001 2255 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th March 2014 and created by HMG PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th March 2014 .

Given at Companies House, Cardiff on 31st March 2014



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 25 March 2014

(1) THE OBLIGORS SPECIFIED HEREIN  
(AS MORTGAGORS)

(2) ABBEY NATIONAL TREASURY SERVICES PLC  
(AS SECURITY AGENT)

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SECURITY AGREEMENT

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Pinsent Masons

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THIS DEED is made on

25 March

2014

BETWEEN:-

- (1) THE OBLIGORS LISTED IN SCHEDULE 1 (the "Mortgagors" and each a "Mortgagor"); and
- (2) ABBEY NATIONAL TREASURY SERVICES PLC as agent and trustee for itself and each of the Secured Parties (the "Security Agent").

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

- |                      |  |
|----------------------|--|
| "Account"            | has the meaning given to that term in the Facility Agreement, other than the General Account   |
| "Charged Property"   | means all the property, assets and undertaking of each of the Mortgagors which from time to time are, or are expressed to be, the subject of the Security created in favour of the Security Agent by or pursuant to this Deed  |
| "Company"            | means the Hollins Murray Group Limited registered in England and Wales (Registered Number 08273718)  |
| "Default Rate"       | means the rate of interest specified in, and calculated in accordance with, clause 8.4 of the Facility Agreement   |
| "Enforcement Action" | means:- <ol style="list-style-type: none"><li>(a) the acceleration of any Secured Liabilities or any declaration that any Secured Liabilities are prematurely due and payable or payable on demand</li><li>(b) the taking of any steps to enforce or require the enforcement of this Security Agreement</li><li>(c) the making of any demand against any of the Mortgagors in relation to any guarantee, indemnity or other assurance against loss in respect of any Secured Liabilities</li><li>(d) the exercise of any right of set-off against any of the Mortgagors in respect of any Secured Liabilities excluding any right of set off under a netting arrangement with the Mortgagors' clearing bank</li><li>(e) the suing for, commencing or joining of any legal or arbitration proceedings against any of the Mortgagors to recover any Secured Liabilities or</li><li>(f) the petitioning, applying or voting for, or the taking of any steps which may lead to any administration, winding-up, insolvency or dissolution of or in relation to any of the</li></ol> |

## Mortgagors

"Enforcement Date"	means the date on which the Security Agent first takes Enforcement Action
"Facility Agreement"	means the term facility agreement dated on or about the date of this Deed made between, among others, the Company, the Guarantors as borrowers, the Lenders referred to therein and the Security Agent
"Fixtures"	means all things of any kind now or at any time affixed to land for any purpose, including trade and tenants' fixtures
"Guarantors"	means the Obligors other than the Company
"Insurances"	means all contracts and policies of insurance or assurance in force at any time in relation to the Charged Property
"Land"	means any estate, right or interest or over land, whether legal or equitable, and wherever the land is situated, including any buildings and Fixtures on land, and the benefit of any covenants or rights owned to any person or enforceable by him by virtue of the ownership, possession or occupation of land, but for these purposes, "Land" excludes heritable property situated in Scotland
"LPA"	means the Law of Property Act 1925
"Notice of Charge"	means a notice of charge in such form as may be specified by the Security Agent and in relation to the Accounts means the notice set out in Schedule 3
"Planning Acts"	means the Town and Country Planning Act 1990, the Planning (Listed Building and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990 and the Local Government Planning and Land Act 1980 and any subsequent legislation of a similar nature
"Plant and Machinery"	means all fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related authorisations, agreements and warranties at any time and from time to time in, on or affecting or relating to the Charged Property and which belongs to the relevant Mortgagor
"Receiver"	means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property
"Related Rights"	means in relation to any Charged Property:- <ul style="list-style-type: none"><li>(a) the proceeds of sale of any part of the Charged Property;</li><li>(b) all rights under any licence, agreement for sale or agreement for lease in respect of the Charged Property;</li><li>(c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title</li></ul>

in respect of the Charged Property; and

- (d) any moneys and proceeds paid or payable in respect of the Charged Property

**"Secured Liability"** means any liability expressed to be due, owing or payable by any of the Mortgagors to any Finance Party under or in connection with any of the Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise) (together the "Secured Liabilities")

**"Security"** means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

**"Security Period"** means the period beginning on the date of this Deed 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 which might give rise to Secured Liabilities have terminated

## 1.2 Incorporation of Terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facility Agreement have the same meanings in this Deed.

## 1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.2 to 1.3 of the Facility Agreement shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.3.2 In the case of conflict or inconsistency between the terms of this Deed and the terms of the Facility Agreement, the terms of the Facility Agreement shall prevail.

## 1.4 Acknowledgement

Each Mortgagor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Parties who shall be entitled to the full benefit of this Deed.

## 1.5 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

## 1.6 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.



## 1.7 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

1.7.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## 2. COVENANT TO PAY

### 2.1 Secured Liabilities

Each Mortgagor covenants that it will on demand pay and discharge any or all of the Secured Liabilities when due.

### 2.2 Interest

Each Mortgagor covenants to pay interest on any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment) at the Default Rate, but without double counting.

## 3. GRANT OF SECURITY

### 3.1 Security

As a continuing security for payment of the Secured Liabilities each Mortgagor with full title guarantee:-

3.1.1 charges to the Security Agent all its right, title and interest from time to time in and to each of the following:-

- (a) by way of first legal mortgage all Land described in Schedule 1 (*The Property*);
- (b) by way of first fixed charge:-
  - (i) all Plant and Machinery (to the extent not effectively charged by Clause 3.1.1(a)); and
  - (ii) to the extent not assigned or effectively assigned by Clause 3.1.2, the Insurances all Related Rights in respect of the Charged Property and the Accounts;
  - (iii) the Accounts; and

3.1.2 assigns absolutely in favour of the Security Agent all its right, title and interest from time to time in and to the Insurances and all benefits accruing under the Insurances, subject to a proviso for reassignment on redemption.

3.2 **Trust**

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, each Mortgagor shall hold it on trust for the Security Agent.

4. **PERFECTION OF SECURITY**

4.1 **Notices of Assignment**

The Mortgagors shall deliver to the Security Agent (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the applicable Mortgagors in respect of the Insurances, on the date of this Deed and promptly upon purchasing any further Insurance after the date of this Deed and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Assignment is addressed.

4.2 **Notices of Charge**

Each Mortgagor shall deliver to the Security Agent (or procure delivery of) Notices of Charge duly executed by, or on behalf of, each Mortgagor, in respect of each Account, on the date of this Security Agreement and promptly upon the opening of any further Account after the date of this Security Agreement.

5. **UNDERTAKINGS BY THE MORTGAGORS**

5.1 **Deposit of title documents**

Each Mortgagor will deposit with the Security Agent:

5.1.1 all deeds and documents of title relating to the Charged Property, including without limitation all deeds and documents of title relating to the Land described in Schedule 1 (*The Property*); and

5.1.2 all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of each Mortgagor,

(each of which the Security Agent shall be entitled to retain during the Security Period).

5.2 **Payments without deduction**

Each Mortgagor shall calculate and make all payments under this Deed without (and free and clear of any deduction for) set-off or counterclaim.

6. **APPLICATION TO THE LAND REGISTRY**

Each Mortgagor and the Security Agent apply to the Land Registry for the following to be entered on to the registered title to the Charged Property:-

6.1.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated \_\_\_\_\_ in favour of Abbey National Treasury Services plc referred to in the charges register (Form P)"; and

6.1.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents and the security created by the charge dated \_\_\_\_\_ in favour of Abbey National Treasury Services plc has been created for the purpose of securing such further advances.

## **7. RESTRICTIONS AND FURTHER ASSURANCE**

### **7.1 Security**

None of the Mortgagors shall create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 22.3 (*Negative pledge*) of the Facility Agreement.

### **7.2 Disposal**

None of the Mortgagors shall enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by clause 22.4.3 (*Disposals*) or 23.2 (*Occupational leases*) of the Facility Agreement.

### **7.3 Further assurance**

Each Mortgagor shall promptly do whatever the Security Agent requires:-

7.3.1 to perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

7.3.2 to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

## **8. ACCOUNTS**

### **8.1 Accounts: Notification and Variation**

Each Mortgagor, during the subsistence of this Security Agreement:-

8.1.1 shall promptly deliver to the Security Agent on the date of this Security Agreement (and, if any change occurs after the date of this Security Agreement, on that date), details of each Account maintained by it with any bank or financial institution; and

8.1.2 shall not, without the Security Agents's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account unless such account closure is notified in advance to the Security Agent.

### **8.2 Accounts: Operation Before Enforcement Date**

Each Mortgagor shall, prior to the occurrence of the Enforcement Date, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

### **8.3 Accounts: Operation After Enforcement Date**

After the occurrence of the Enforcement Date, no Mortgagor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Agent.

### **8.4 Accounts: Application of Moneys**

The Security Agent shall, upon the occurrence of the Enforcement Date, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 12 (*Application of Moneys*).

## 9. INSURANCES

### 9.1 Insurances: Undertakings

The Mortgagors shall at all times during the subsistence of this Deed:-

- 9.1.1 keep the Charged Property insured in accordance with the terms of the Facility Agreement;
- 9.1.2 when due pay all premiums and other moneys payable under all its Insurances relating to the Charged Property or procure that such is done and promptly upon request, produce to the Security Agent a copy of each policy and evidence (acceptable to the Security Agent) of the payment of such sums (or procure that such is done); and
- 9.1.3 if required by the Security Agent, provide a copy of all Insurances relating to the Charged Property to the Security Agent.

### 9.2 Insurance: Default

If any Mortgagor defaults in complying with Clause 9.1 (*Insurance: Undertakings*), the Security Agent may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys expended by the Security Agent in doing so shall be reimbursed by the Mortgagors to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed at the rate specified in Clause 2 (*Covenant to Pay*).

## 10. DEMAND AND ENFORCEMENT

### 10.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 10.1.1 the occurrence of an Event of Default which is continuing;
- 10.1.2 any request being made by any of the Mortgagors to the Security Agent for the appointment of a Receiver or an administrator, or for the Lenders to exercise any other power or right available to them.

### 10.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Mortgagor) do all or any of the following:-

- 10.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions imposed by sections 103 or 109(1) of the LPA;
- 10.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA; and
- 10.2.3 subject to Clause 11.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property.

### 10.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 10.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

#### 10.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

#### 10.5 Delegation

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Lender thinks fit.

### 11. RECEIVERS

#### 11.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

#### 11.2 Removal

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

#### 11.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 11.3.1 of the Security Agent under this Deed;
- 11.3.2 conferred by the LPA on mortgagees in possession and on Receivers appointed under the LPA;
- 11.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 11.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 11.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

#### 11.4 Receiver as agent

The Receiver shall be the agent of each of the Mortgagors (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until any of the Mortgagors goes into liquidation, from which time he shall act as principal and shall not become the agent of the Security Agent.

#### 11.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

**11.6 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

**12. APPLICATION OF MONEYS**

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 12.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Secured Parties and/or as trustee in relation to the Security Documents in relation to this Deed, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full or other person entitled to it;
- 12.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent or any Receiver;
- 12.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facility Agreement; and
- 12.1.4 **fourthly**, in the payment of the surplus (if any), to the Mortgagors or any other person entitled to it,

and section 109(8) of the LPA shall not apply.

**13. POWER OF ATTORNEY**

**13.1 Appointment**

Following the Enforcement Date each of the Mortgagors irrevocably and by way of security appoints:-

- 13.1.1 the Security Agent (whether or not a Receiver has been appointed);
- 13.1.2 any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Agent; and
- 13.1.3 (as a separate appointment) each Receiver,

severally as the Mortgagors' attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of each of the Mortgagors, which the Mortgagors could be required to do or execute under any provision of this Deed, or which the Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

**13.2 Ratification**

Each Mortgagor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 13.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 13.1 (*Appointment*).

## 14. CONSOLIDATION

### 14.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Finance Party may at any time after the Enforcement Date, without notice to the Mortgagors, combine or consolidate all or any accounts which it then has in relation to any of the Mortgagors (in whatever name) and any Secured Liabilities owed by the Mortgagors to it, and/or set-off or transfer any amounts standing to the credit of one or more accounts of the Mortgagors in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

### 14.2 Application

The Security Agent's and each Finance Party's rights under Clause 14.1 (*Combination of accounts*) apply:-

- 14.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 14.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 14.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Finance Party may, for the purpose of exercising its rights, elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 14.2.4 in respect of any Secured Liabilities owed by any of the Mortgagors, however arising.

## 15. PROTECTION OF THIRD PARTIES

### 15.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Deed, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

### 15.2 Purchasers

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver, shall be concerned:-

- 15.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;
- 15.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or
- 15.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

### 15.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any person to whom any of them have delegated any of their powers.

**16. PROTECTION OF THE FINANCE PARTIES AND ANY RECEIVER**

**16.1 No liability**

None of the Security Agent, the other Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

**16.2 No mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Security Agent, any Receiver or any of their respective officers or employees liable:-

16.2.1 to account as mortgagee in possession;

16.2.2 for any loss on realisation; or

16.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

**16.3 Indemnity**

Each Mortgagor shall indemnify and keep indemnified the Security Agent, each other Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

16.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

16.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

16.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

16.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

16.3.5 any breach by the Mortgagor of any of its covenants or other obligations to the Security Agent or any other Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

**16.4 Interest**

Each Mortgagor shall pay interest at the Default Rate on the sums payable under this Clause 16 (*Protection of the Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment), but without double counting.

**16.5 Indemnity out of the Charged Property**

The Security Agent, the other Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 16.3 (*Indemnity*).



**16.6 Continuing protection**

The provisions of this Clause 16 (*Protection of the Finance Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

**17. PROVISIONS RELATING TO THE SECURITY AGENT**

**17.1 Powers and discretions**

The rights, powers and discretions given to the Security Agent in this Deed:-

- 17.1.1 may be exercised as often as and in such manner as, the Security Agent thinks fit;
- 17.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 17.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

**17.2 Trusts**

The perpetuity period for any trusts constituted by this Deed shall be 125 years.

**18. PRESERVATION OF SECURITY**

**18.1 Continuing Security**

This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

**18.2 Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent or any other Finance Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

**18.3 Waiver of Defences**

Neither the Security created by this Deed nor the obligations of any of the Mortgagors under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Security Agent or any Finance Party) including:-

- 18.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 18.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 18.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 18.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

- 18.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 18.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 18.3.7 an insolvency, liquidation, administration or similar procedure.

**18.4 Immediate Recourse**

Each Mortgagor waives any right it may have of first requiring the any Finance Party to proceed against or enforce any other rights of Security or claim payment from any person before claiming from any of the Mortgagors under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

**18.5 Appropriations**

During the Security Period each Finance Party may:-

- 18.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 12 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and each of the Mortgagors shall not be entitled to the same; and
- 18.5.2 hold in an interest-bearing suspense account any moneys received from any of the Mortgagors on or account of the Secured Liabilities.

**18.6 New Accounts**

If the Security Agent or any other Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of any of the Mortgagors, it may close the current account or accounts and/or open a new account or accounts for each Guarantor. If the Security Agent or any other Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by a Guarantor to that Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

**18.7 Tacking**

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Obligor on the terms and subject to the conditions of the Finance Documents.

**18.8 Deferral of Mortgagor's rights**

During the Security Period and unless the Security Agent otherwise directs, no Mortgagor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 18.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 18.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 18.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the any Finance Party under any Finance Document or of any guarantee or

Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

18.8.4 to exercise any right of set-off against any Obligor; and/or

18.8.5 to claim or prove as a creditor of any Obligor in competition with any Finance Party.

## 19. **RELEASE**

### 19.1 **Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Mortgagors:-

19.1.1 release the Charged Property from this Deed; and

19.1.2 re-assign the Charged Property that has been assigned to the Security Agent under this Deed.

### 19.2 **Reinstatement**

If the Security Agent considers that any amount paid or credited to the any Finance Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

19.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

19.2.2 the liability of each of the Mortgagors and the Security created by this Deed shall continue as if that amount had not been paid or credited.

### 19.3 **Consolidation**

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

## 20. **MISCELLANEOUS PROVISIONS**

### 20.1 **Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

20.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

20.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

### 20.2 **Amendments and variations**

This Deed shall remain in full force and effect notwithstanding any amendment, restatement, novation or supplementation of the Finance Documents (including any increase in the amount of the Secured Liabilities).

### 20.3 **Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed 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 in this Deed are cumulative and not exclusive of any rights or remedies provide by law.

**20.4 Counterparts**

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

**21. GOVERNING LAW**

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

**22. ENFORCEMENT**

**22.1 Jurisdiction of English Courts**

22.1.1 The courts of England have exclusive jurisdiction to settle any dispute (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

22.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

22.1.3 This Clause 22.1 (*Jurisdiction of English Courts*) is for the benefit of the Finance Parties and Secured Parties only. As a result, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

Executed and delivered as a deed on the date appearing at the beginning of this Deed.

**SCHEDULE 1**

**THE MORTGAGORS**

<b>Name of Mortgagor</b>	<b>Registration number (or equivalent, if any)</b>
The Hollins Murray Group Limited	08273718
HMG Developments Limited	00249811
HMG (King Street) Limited	06544665
HMG Prestwich Limited	05847301
HMG Aber Road Limited	06343451
HMG Properties Limited	00012255
HMG Investments Limited	00460732

**SCHEDULE 2**  
**THE PROPERTY**

<b>Property</b>	<b>Parties</b>	<b>Title No.</b>
54 and 56 King Street and 41 South King Street, Manchester	HMG (King Street) Limited	GM270752
35 and 37 Ivegate, Bradford	HMG Developments Limited	WYK587733
4 and 5 Mardol, Shrewsbury, Shropshire SY1 1PY	HMG Developments Limited	SL40352
Erlesdene, Green Walk, Bowdon, Cheshire WA14 2SL	HMG Properties Limited	GM628005
Land and buildings known as the Longfield Shopping Centre, Prestwich, Bury, Greater Manchester	HMG Prestwich Limited	GM31057
397 Upton Road, Prenton (also known as 397 Upton Road, Noctorum), Wirral	HMG Developments Limited	CH48605
Land on the east side of Aber Road, Flint	HMG Aber Road Limited	WA744101 and CYM403087
7600 and 7650 Daresbury Park, Daresbury, Warrington, WA4 4BS	HMG Developments Limited	CH565425
58 Hope Street and 1 Central Arcade, Wrexham	HMG Developments Limited	CYM284433
6-7 High Street, Wrexham LL13 8HP	HMG Developments Limited	WA779125

<b>Property</b>	<b>Parties</b>	<b>Title No.</b>
Land on the west side of Vale Road, Stockport	HMG Developments Limited	MAN80955
Land and buildings known as St John's House, Barrington Road, Altrincham, WA14 1JY	HMG Investments Limited	GM571668
Land on the north east side of Horsefield Way, Bredbury	HMG Investments Limited	GM625150
7 to 11 (odd numbers) Church Street, St Helens	HMG Investments Limited	LA339791
Land and building known as 24 St John Street, Manchester M3 4DF	HMG Investments Limited	GM799816
Land on the south west side of Caxton Close, Marus Bridge, Wigan	HMG Investments Limited	GM791066
Refuge House, 27 to 33 (odd) Watergate Street and 31 to 41 (odd) Watergate Row, Chester CH1 2LB	HMG Investments Limited	CH468001
34, 36 and 38 Watergate Row, 38, 40 and 42 Watergate Street and 2 Crook Street, Chester	HMG Investments Limited	CH535924
66 -78 (even numbers) Bridge Street, Manchester	HMG Investments Limited	GM754665
Land buildings know as West Heath Shopping Centre, Sandbach Road,	HMG Investments Limited	CH482735

<b>Property</b>	<b>Parties</b>	<b>Title No.</b>
Congleton		
24 Queen Street Wrexham and 50 Hope Street Wrexham	HMG Investments Limited	WA767554 and WA959919
The Flintshire Retail Park (Phase 1) Holywell Road, Flint	HMG Investments Limited	CYM170202
Unit C Flintshire Retail Park, Holywell Road, Flint	HMG Investments Limited	CYM221333
Unit F Flintshire Retail Park, Holywell Road, Flint	HMG Investments Limited	CYM221141
Land and buildings known as Blocks 1,2 and 3 Interlnq, Fford Pentre, Chester Road East, Queensferry, Deeside CH5 2DW	HMG Investments Limited	CYM227968 and CYM204838
54 Hope Street and 1 and 3 Bank Street, Wrexham	HMG Investments Limited	WA799462
53a Hope Street, Wrexham LL11 1BE	HMG Investments Limited	WA799455
Unit D1 Flintshire Retail Park, Holywell Road, Flint	HMG Investments Limited	CYM38311
Land at Holywell Road, Flint	HMG Investments Limited	CYM388789
Land at Holywell Road, Flint	HMG Investments Limited	WA607369
Flint Retail Park, Holywell Road, Flint	HMG Investments Limited	WA710174



<b>Property</b>	<b>Parties</b>	<b>Title No.</b>
Land and building lying to the south west of Holywell Road, Flint	HMG Investments Limited	WA709600
Land at Charles Court, Thorley Lane Timperley	HMG Investments Limited	GM934557
Stanney Ten Industrial Estate, Little Stanney, Chester, CH2 4JZ (now known as Cheshire Oaks Trade Park)	HMG Investments Limited	CH149525
Land and buildings known as 2-14 (even) Leicester Street and 39-49 (odd) Wilton Street Northwich	HMG Investments Limited	CH182709

SCHEDULE 3

FORM OF NOTICE OF ASSIGNMENT OF ACCOUNTS

To: [Account Bank]

Date: [ ]

Dear Sirs,

We give you notice that we have assigned and charged to Abby National Treasury plc (the "Security Agent") all of our right, title and interest in and to account number [ ], account name [ ] (including any renewal or redesignation of the account) and all monies standing to the credit of that account from time to time (the "Account").

With effect from the date of your receipt of this notice:

- (1) any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the Security Agent or to its order (with a copy to the Parent); and
- (2) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Security Agent.

Please accept this notice by signing the enclosed acknowledgement and returning it to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully

for and on behalf of

[on copy only]

To: SECURITY AGENT

Date: [            ]

At the request of the Security Agent and *[Insert company name]* we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms). We confirm that:-

- (1) there are no restrictions on (a) the payment of the credit balance on the Account or (b) the assignment of the Account to the Security Agent or any third party;
- (2) we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the Security Agent's consent (a) [exercise any right of combination, consolidation or set-off which we may have in respect of the Account] save in respect of normal account fees or (b) amend or vary any rights attaching to the Account; and
- (3) we will act only in accordance with the instructions given by persons authorised by the Security Agent and we shall send all statements and other notices given by us relating to the Account to the Security Agent.

For and on behalf of [            ]

By: [            ]

The Mortgagors )  
 )  
EXECUTED as a Deed )  
by THE HOLLINS MURRAY GROUP LIMITED )  
 )  
acting by two Directors or a Director )  
 )  
and its Secretary:- )

Director

Director/Secretary

EXECUTED as a Deed )  
by HMG DEVELOPMENTS LIMITED )  
 )  
acting by two Directors or a Director )  
 )  
and its Secretary:- )

Director

Director/Secretary

EXECUTED as a Deed )  
by HMG (KING STREET) LIMITED )  
 )  
acting by two Directors or a Director )  
 )  
and its Secretary:- )

Director

Director/Secretary

EXECUTED as a Deed  
by HMG PRESTWICH LIMITED

acting by two Directors or a Director  
and its Secretary:-

)  
)  
)  
)  
)  
)

Director [REDACTED]

Director/Secretary [REDACTED]

EXECUTED as a Deed  
by HMG ABER ROAD LIMITED

acting by two Directors or a Director  
and its Secretary:-

)  
)  
)  
)  
)  
)

Director [REDACTED]

Director/Secretary [REDACTED]

EXECUTED as a Deed  
by HMG PROPERTIES LIMITED

acting by two Directors or a Director  
and its Secretary:-

)  
)  
)  
)  
)  
)

[REDACTED]

Director [Redacted]

Director/Secretary [Redacted]

EXECUTED as a Deed  
by HMG INVESTMENTS LIMITED

)  
)  
)  
)  
)  
)

acting by two Directors or a Director  
and its Secretary:-

Director [Redacted]

Director/Secretary [Redacted]

The Security Agent

SIGNED for and on behalf of  
ABBEY NATIONAL TREASURY SERVICES )  
PLC )