



Registration of a Charge

Company name: **HOMES FOR GOOD GLASGOW CIC**

Company number: **SC597899**



X8IJPCW9

Received for Electronic Filing: **19/11/2019**

Details of Charge

Date of creation: **12/11/2019**

Charge code: **SC59 7899 0051**

Persons entitled: **THE THIRD SECTOR INVESTMENT FUND LLP**

Brief description: **2/M, 3 MORRIS STREET, LARGS**

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GRAEME W MCGOWAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 597899

Charge code: SC59 7899 0051

The Registrar of Companies for Scotland hereby certifies that a charge dated 12th November 2019 and created by HOMES FOR GOOD GLASGOW CIC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th November 2019 .

Given at Companies House, Edinburgh on 19th November 2019

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

HOMES FOR GOOD GLASGOW CIC

- in favour of -

THE THIRD SECTOR INVESTMENT FUND LLP

STANDARD SECURITY

THIS STANDARD SECURITY is granted

By:

- (1) **HOMES FOR GOOD GLASGOW CIC**, a company incorporated in Scotland (Company Number SC597899) and having its registered office at 123 Main Street, Bridgeton, Glasgow, Scotland, G40 1QD (the "**Borrower**");

In favour of:

- (2) **THE THIRD SECTOR INVESTMENT FUND LLP**, a limited liability partnership incorporated in England and Wales (Registered Number OC392423) and having its registered office at 4th Floor Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS (the "**Lender**").

WHEREAS

- (A) The Lender has agreed, under the Facility Agreement, to provide the Borrower with loan facilities on a secured basis.
- (B) The Borrower owns the Property.
- (C) This Standard Security provides security which the Borrower has agreed to give the Lender for the loan facilities made or to be made available under the Facility Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Facility Agreement shall, unless otherwise defined in this Standard Security, have the same meaning in this Standard Security. In addition, the following definitions apply in this Standard Security:

"Business Day"	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
"Certificate of Title"	means any report on or certificate of title relating to the Property supplied to the Lender by the Borrower (or on its behalf);
"Delegate"	means any person appointed by the Lender under clause 13 and any person appointed as attorney of the Lender or Delegate;
"Encumbrance"	means an encumbrance as set out in section 9 of the Land Registration etc. (Scotland) Act 2012;
"Environment"	means the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other

	natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;
"Environmental Law"	means all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;
"Environmental Licence"	means any authorisation, permit or licence necessary under Environmental Law in respect of the Property;
"Event of Default"	has the meaning given to that expression in the Facility Agreement;
"Facility Agreement"	means the facility agreement dated on 28 June 2018 between the Borrower and the Lender for the provision of the loan facilities secured by this Standard Security as amended, restated, supplemented and/or novated from time to time;
"Insurance Policy"	means each contract or policy of insurance effected or maintained by the Borrower from time to time in respect of the Property;
"Permitted Lease"	means a lease of the Property which is permitted in accordance with the terms of Clause 1.15 of Schedule 3 to the Facility Agreement;
"Property"	means ALL and WHOLE the subjects known as 2/M, 3 Morris Street, Largs, being the subjects registered in the Land Register of Scotland under Title Number AYR46261;
"Rent"	means all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of any part of the Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of the Property, including (without limitation) for display of advertisements on licence or otherwise;
"Rent Account"	has the meaning given to that expression in the Facility Agreement;

"Secured Liabilities"	means all present and future monies, obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;
"Security"	means any standard security, charge (whether fixed or floating), pledge, lien, assignation in security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;
"Security Period"	means the period starting on the date of this Standard Security and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding;
"Valuation"	means any valuation relating to the Property supplied to the Lender by the Borrower (or on its behalf);
"VAT"	means value added tax.

1.2 Interpretation

In this Standard Security:

- 1.2.1 clause, Schedule and paragraph headings shall not affect the interpretation of this Standard Security;
- 1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assignees and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;

- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes fax but not e-mail;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this Standard Security** (or any provision of it) or to any other agreement or document referred to in this Standard Security is a reference to this Standard Security, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Standard Security) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Standard Security and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.12 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- 1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.18 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Standard Security.

1.4 Nature of security over real property

A reference in this Standard Security to **the Property** includes:

- 1.4.1 all buildings and fixtures and fittings and fixed plant and machinery that are situated on or form part of the Property at any time;
- 1.4.2 the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

2. PERSONAL BOND

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower HEREBY GRANTS a standard security in favour of the Lender over the Property; And the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 as amended (the **Standard Conditions**) and any lawful variation thereof operative for the time being shall apply.

4. VARIATION TO STANDARD CONDITIONS

The Borrower agrees that the Standard Conditions shall be varied in accordance with the provisions of this Standard Security.

5. LIABILITY OF THE BORROWER

5.1 Liability not discharged

The Borrower's liability under this Standard Security in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 5.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- 5.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 5.1.3 any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 Immediate recourse

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Standard Security against the Borrower.

6. REPRESENTATIONS AND WARRANTIES

6.1 Times for making representations and warranties

The Borrower makes the representations and warranties set out in this clause 6 to the Lender on the date of this Standard Security and the representations and warranties contained in this clause 6 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6.2 Ownership of Property

The Borrower is the sole legal and beneficial owner of the Property and has good and marketable title to the Property.

6.3 No Security

The Property is free from any Security other than the Security created by this Standard Security.

6.4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Property or any interest in it.

6.5 No adverse covenants

There are no title conditions, undertakings, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Property.

6.6 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Property.

6.7 No interference in enjoyment

No facility necessary for the enjoyment and use of the Property is subject to terms entitling any person to terminate or curtail its use.

6.8 No Encumbrances

Nothing has arisen, has been created or is subsisting that would be an Encumbrance in respect of the Property.

6.9 No prohibitions or breaches

The entry into of this Standard Security by the Borrower does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Borrower or its assets.

6.10 Environmental compliance

The Borrower has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences.

6.11 Information for Valuations and Certificates of Title

- 6.11.1 All written information supplied by the Borrower or on its behalf for the purpose of each Valuation and Certificate of Title was true and accurate in all material respects at its date or at the date (if any) on which it was stated to be given.
- 6.11.2 The information referred to in clause 6.11.1 was, at its date or at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information that, if disclosed, would adversely affect the Valuation or Certificate of Title.
- 6.11.3 In the case of the first Valuation and Certificate of Title only, nothing has occurred since the date the information referred to in clause 6.11.1 was supplied and the date of this Standard Security which would adversely affect such Valuation or Certificate of Title.

6.12 Avoidance of security

No Security expressed to be created under this Standard Security is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

6.13 Enforceable security

This Standard Security constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Property in accordance with its terms.

7. GENERAL COVENANTS

7.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

- 7.1.1 create, purport to create or permit to subsist any Security on, or in relation to, the Property other than any Security created by this Standard Security;
- 7.1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Property except a Permitted Lease; or
- 7.1.3 create or grant (or purport to create or grant) any interest in the Property in favour of a third party except a Permitted Lease.

7.2 Preservation of the Property

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Property or the effectiveness of the security created by this Standard Security.

7.3 Compliance with laws and regulations

7.3.1 The Borrower shall not, without the Lender's prior written consent, use or permit the Property to be used in any way contrary to law.

7.3.2 The Borrower shall:

7.3.2.1 comply with the requirements of any law or regulation relating to or affecting the Property or the use of it or any part of it;

7.3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Property or its use or that are necessary to preserve, maintain or renew the Property; and

7.3.2.3 promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Property that are required to be made by it under any law or regulation.

7.4 Enforcement of rights

The Borrower shall use its best endeavours to:

7.4.1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Property of the undertakings and other obligations imposed on such counterparty; and

7.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Property that the Lender may require from time to time.

7.5 Notice of misrepresentations and breaches

The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of:

7.5.1 any representation or warranty set out in this Standard Security that is incorrect or misleading in any material respect when made or deemed to be repeated; and

7.5.2 any breach of any covenant set out in this Standard Security.

7.6 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this Standard Security).

8. PROPERTY COVENANTS

8.1 Repair and maintenance

8.1.1 The Borrower shall keep all premises, and fixtures and fittings on the Property, in:

8.1.1.1 good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value; and

8.1.1.2 such repair and condition as to enable the Property to be let in accordance with all applicable laws and regulations.

8.1.2 For the purpose of clause 8.1.1.2, a law or regulation is applicable if it is either in force or it is expected to come into force and a prudent property owner in the same business as the Borrower would ensure that the premises, and fixtures and fittings on the Property, were in such repair and condition in anticipation of that law or regulation coming into force.

8.2 No alterations

8.2.1 The Borrower shall not, without the prior written consent of the Lender:

8.2.1.1 pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or

8.2.1.2 make or permit to be made any alterations to the Property or sever or remove or permit to be severed or removed any of its fixtures or fittings (except in relation to any initial refurbishment of the Property or to make any necessary repairs or renew or replace the same in accordance with clause 8.1).

8.2.2 The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

8.3 Development restrictions

The Borrower shall not, without the prior written consent of the Lender, except in so far as it relates to any initial refurbishment of the Property:

8.3.1 make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or

8.3.2 carry out or permit or suffer to be carried out on the Property any development (as defined in the Town and Country Planning (Scotland) Act 1997) or change or permit or suffer to be changed the use of the Property.

8.4 Insurance

8.4.1 The Borrower shall insure and keep insured the Property against:

8.4.1.1 loss or damage by fire or terrorist acts;

- 8.4.1.2 other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
 - 8.4.1.3 any other risk, perils and contingencies as the Lender may reasonably require.
- 8.4.2 Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.
- 8.4.3 The Borrower shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to any insurance required by clause 8.4.1.
- 8.4.4 The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with clause 8.4.1 and the Lender is named as first loss payee and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender.

8.5 Insurance premiums

The Borrower shall:

- 8.5.1 promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect; and
- 8.5.2 (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy.

8.6 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy.

8.7 Proceeds from Insurance Policies

The Borrower shall apply all monies payable under any Insurance Policy in the manner provided for in Clauses 1.43 to 1.45 of Schedule 3 to the Facility Agreement.

8.8 Leases and licences affecting the Property

Save for the grant of Permitted Leases, the Borrower shall not, without the prior written consent of the Lender (which consent, in the case of clause 8.8.4, is not to be

unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay its consent):

- 8.8.1 grant any licence or tenancy affecting the whole or any part of the Property;
- 8.8.2 in any other way dispose of, accept the renunciation of, renounce or create any interest in the whole or any part of the Property (or agree to dispose of, accept the renunciation of, renounce or create any interest in the whole or any part of the Property);
- 8.8.3 let any person into occupation of or share occupation of the whole or any part of the Property; or
- 8.8.4 grant any consent or licence under any lease or licence affecting the Property.

8.9 No restrictive obligations

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any encumbrance, title condition or right whatever in or over the whole or any part of the Property.

8.10 Proprietary rights

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender.

8.11 Compliance with and enforcement of title conditions

The Borrower shall:

- 8.11.1 observe and perform all title conditions, undertakings, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those title conditions, undertakings, stipulations and conditions have been observed and performed; and
- 8.11.2 diligently enforce all title conditions, undertakings, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

8.12 Notices or claims relating to the Property

8.12.1 The Borrower shall:

- 8.12.1.1 give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a "Notice") that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and

8.12.1.2 (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.

8.12.2 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

8.13 Payment of outgoings

The Borrower shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

8.14 Environment

The Borrower shall in respect of the Property:

8.14.1 comply with all the requirements of Environmental Law; and

8.14.2 obtain and comply with all Environmental Licences.

8.15 Conduct of business on Property

The Borrower shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.16 Inspection

The Borrower shall permit the Lender and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice subject to the terms of a Permitted Lease.

8.17 VAT option to tax

The Borrower shall not, without the prior written consent of the Lender:

8.17.1 exercise any VAT option to tax in relation to the Property; or

8.17.2 revoke any VAT option to tax exercised, and disclosed to the Lender in writing, before the date of this Standard Security.

9. RENT COVENANTS

9.1 Collection of and dealings with Rent

9.1.1 The Borrower shall not deal with the Rent except by getting it in and realising it in the ordinary and usual course of its business and shall, immediately on receipt, pay all Rent into the Rent Account or into such other account as the Lender may direct from time to time. The Borrower shall, pending that payment in to the Rent Account or other account, hold all Rent upon trust for the Lender.

- 9.1.2 The Borrower agrees with the Lender that any monies received by the Lender under clause 9.1.1 shall not constitute the Lender as heritable creditor in possession of the Property.

10. POWERS OF THE LENDER

10.1 Power to remedy

- 10.1.1 The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Standard Security.
- 10.1.2 The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.
- 10.1.3 Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this Standard Security shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.
- 10.1.4 In remedying any breach in accordance with this clause 10.1, the Lender, its agents and their respective officers, agents and employees shall, subject to the terms of a Permitted Lease, be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development. For the avoidance of doubt, Standard Condition 7 shall be varied to the effect that the Lender shall not be required to give any notice of its exercise of the right of entry referred to in Standard Condition 7(2).

10.2 Exercise of rights

The rights of the Lender under clause 10.1 are without prejudice to any other rights of the Lender under this Standard Security. The exercise of any rights of the Lender under this Standard Security shall not make the Lender liable to account as heritable creditor in possession.

10.3 Conversion of currency

- 10.3.1 For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this Standard Security (including the proceeds of any previous conversion under this clause 10.3) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- 10.3.2 Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- 10.3.3 Each reference in this clause 10.3 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

10.4 Indulgence

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Standard Security (whether or not any person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this Standard Security or to the liability of the Borrower for the Secured Liabilities.

11. WHEN SECURITY BECOMES ENFORCEABLE

11.1 Security becomes enforceable on Event of Default

For the purposes of Standard Condition 9, the debtor shall in addition be held to be in default and the security constituted by this Standard Security shall be immediately enforceable if an Event of Default occurs.

12. ENFORCEMENT OF SECURITY

12.1 Prior Security

12.1.1 At any time after the security constituted by this Standard Security has become enforceable, or after any powers conferred by any Security having priority to this Standard Security shall have become exercisable, the Lender may:

12.1.1.1 redeem that or any other prior Security;

12.1.1.2 procure the transfer of that Security to itself; and

12.1.1.3 settle any account of the holder of any prior Security.

12.1.2 The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall be, as from its payment by the Lender, due from the Borrower to the Lender on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

12.2 Protection of third parties

No purchaser, heritable creditor or other person dealing with the Lender or any Delegate shall be concerned to enquire:

12.2.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

12.2.2 whether any power the Lender or Delegate is purporting to exercise has become exercisable or is properly exercisable; or

12.2.3 how any money paid to the Lender or any Delegate is to be applied.

12.3 No liability as heritable creditor in possession

Neither the Lender nor any Delegate shall be liable to account as heritable creditor in possession in respect of all or any of the Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Property for which a heritable creditor in possession might be liable as such.

12.4 Relinquishing possession

If the Lender or any Delegate enters into or takes possession of the Property, it or he may at any time relinquish possession.

12.5 Conclusive discharge to purchasers

The receipt of the Lender or any Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Property or in making any acquisition in the exercise of their respective powers, the Lender and every Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

13. DELEGATION

13.1 Delegation

The Lender may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Standard Security (including the power of attorney granted under clause 17.1).

13.2 Terms

The Lender may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

13.3 Liability

The Lender shall not be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

14. APPLICATION OF PROCEEDS

14.1 Order of application of proceeds

All monies received by the Lender or a Delegate under this Standard Security after the security constituted by this Standard Security has become enforceable (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights) be applied in the following order of priority:

- 14.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Lender (and any Delegate, attorney or agent appointed by it) under or in connection with this Standard Security;

- 14.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Lender determines; and
- 14.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

14.2 Appropriation

Neither the Lender nor any Delegate shall be bound to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

14.3 Suspense account

All monies received by the Lender or a Delegate under this Standard Security (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- 14.3.1 may, at the discretion of the Lender or Delegate, be credited to any suspense or securities realised account;
- 14.3.2 shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and
- 14.3.3 may be held in that account for so long as the Lender or Delegate thinks fit.

15. COSTS AND INDEMNITY

15.1 Costs

The Borrower shall, promptly on demand, pay to, or reimburse, the Lender, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender or any Delegate in connection with:

- 15.1.1 this Standard Security or the Property;
- 15.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or a Delegate's rights under this Standard Security; or
- 15.1.3 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement.

15.2 Indemnity

- 15.2.1 The Borrower shall indemnify the Lender and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest,

penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- 15.2.1.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Standard Security or by law in respect of the Property;
- 15.2.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Standard Security; or
- 15.2.1.3 any default or delay by the Borrower in performing any of its obligations under this Standard Security.

16. FURTHER ASSURANCE

The Borrower shall, at its own expense, take whatever action the Lender may reasonably require for:

- 16.1.1 creating, perfecting or protecting the security intended to be created by this Standard Security;
 - 16.1.2 facilitating the realisation of any of the Property; or
 - 16.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Lender in respect of any of the Property,
- 16.2 including, without limitation (if the Lender thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration.

17. POWER OF ATTORNEY

17.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- 17.1.1 the Borrower is required to execute and do under this Standard Security; or
- 17.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Standard Security or by law on the Lender or any Delegate.

17.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

18. ASSIGNATION AND TRANSFER

18.1 Assigation by Lender

18.1.1 At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights and obligations under this Standard Security.

18.1.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Property and this Standard Security that the Lender considers appropriate.

18.2 Assigation by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Standard Security.

19. SET-OFF

19.1 Lender's right of set-off

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Standard Security. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 19.1 shall not limit or affect any other rights or remedies available to it under this Standard Security or otherwise.

19.2 No obligation to set off

The Lender is not obliged to exercise its rights under clause 19.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

20. AMENDMENTS, WAIVERS AND CONSENTS

20.1 Amendments

No amendment of this Standard Security shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

20.2 Waivers and consents

20.2.1 A waiver of any right or remedy under this Standard Security or by law, or any consent given under this Standard Security, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

20.2.2 A failure to exercise or a delay in exercising any right or remedy provided under this Standard Security or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this

Standard Security. No single or partial exercise of any right or remedy provided under this Standard Security or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Standard Security by the Lender shall be effective unless it is in writing.

20.3 Rights and remedies

The rights and remedies provided under this Standard Security are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

21. SEVERANCE

If any provision (or part of a provision) of this Standard Security is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Standard Security.

22. FURTHER PROVISIONS

22.1 Independent security

The security constituted by this Standard Security shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Property shall merge in the security created by this Standard Security.

22.2 Continuing security

The security constituted by this Standard Security shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Standard Security in writing.

22.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- 22.3.1 the Lender or its nominee may retain this Standard Security and the security created by or under it, including all certificates and documents relating to the whole or any part of the Property, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and
- 22.3.2 the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

22.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower under this Standard Security and the Facility Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.

23. NOTICES

23.1 Delivery

Any notice or other communication given to a party under or in connection with this Standard Security shall be:

23.1.1 in writing;

23.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by email; and

23.1.3 sent to:

23.1.3.1 the Borrower at:

123 Main Street, Bridgeton, Glasgow G40 1QD

Email: susan@homesforgood.org.uk

Attention: Susan Aktemel

23.1.3.2 the Lender at:

2nd Floor, Euston House, 24 Eversholt Street, London NW1 1AD

Email: ben@socialandsustainable.com

Attention: Benjamin Rick

or to any other address or fax number as is notified in writing by one party to the other from time to time.

23.2 Receipt by Borrower

Any notice or other communication that the Lender gives to the Borrower shall be deemed to have been received:

23.2.1 if delivered by hand, at the time it is left at the relevant address;

23.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and

23.2.3 if sent by email, one hour after the email is sent.

A notice or other communication given or sent as described in clause 23.2.1 or clause 23.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

23.3 Receipt by Lender

Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

23.4 Service of proceedings

This clause 23 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

24. CONFLICT

To the extent that the terms of this Standard Security conflict with the terms of the Facility Agreement, the Facility Agreement shall prevail.

25. GOVERNING LAW AND JURISDICTION

25.1 Governing law

This Standard Security and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Scotland.

25.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of Scotland shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this Standard Security or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

25.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 25.2 being served on it in accordance with the provisions of this Standard Security relating to service of notices. Nothing contained in this Standard Security shall affect the right to serve process in any other manner permitted by law.

26. WARRANDICE

The Borrower grants warrandice.

27. Consent to Registration

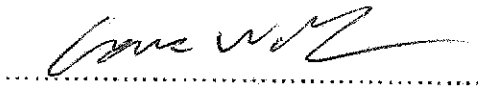
The Borrower consents to the registration of this Standard Security for preservation and execution: IN WITNESS WHEREOF these presents consisting of this and the preceding [21] pages are subscribed as follows:-

The Borrower

SUBSCRIBED for and on behalf of **HOMES FOR GOOD GLASGOW CIC** by Susan Deborah Aktemel, Director, at Glasgow on *6 NOVEMBER* before Graeme William McGowan, Solicitor, 51 Moss Street, Paisley.


.....
Susan Deborah Aktemel

Director


.....

Witness