

Checker's Initials	
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## SECURITY OVER CASH DEPOSIT

Dated:

**THIS IS AN IMPORTANT LEGAL DOCUMENT. WE RECOMMEND THAT YOU OBTAIN INDEPENDENT LEGAL ADVICE AND MAKE SURE YOU UNDERSTAND THIS DOCUMENT BEFORE YOU SIGN IT.**

**You confirm you have read and understood the warning above by initialling in this box:**

Key Details	
<b>You/Your</b>	<p style="text-align: center;">of</p> <p><b>Where more than one of you are executing this Deed, when we refer to 'you', we mean each of you individually and all of you together, as the context requires. The obligations under this Deed apply to each of you individually as well as jointly.</b></p>
<b>Us, we and our</b>	<p>HSBC UK Bank plc, or another entity that it transfers its rights and/or obligations under this Deed to.</p>
<b>Your obligations to us</b>	<p>You agree that we will hold this Deed as security for the Debt.</p> <p>You agree to allow us to set-off or transfer cash deposits made by you as described in this Deed for the payment of the Debt.</p>
<b>What is the Debt?</b>	<p>The <b>Debt</b> is all amounts owed by you to us from time to time and may include, without limitation:</p> <ul style="list-style-type: none"> <li>• overdrafts, loans or money due under any facilities that we have granted to you or may grant to you in the future</li> <li>• any amounts under a guarantee or indemnity that you have given to us or may grant in the future</li> <li>• any commission or other charges and expenses</li> <li>• any liabilities arising under this Deed</li> </ul>

We can increase the amount we make available to you at any time or change the terms applicable to the Debt. This means that the Debt may increase. If you ask us to, we will inform of the level of the Debt.

The Debt is not any money and liabilities arising under a regulated agreement, as defined under section 189 of the Consumer Credit Act 1974 as may be amended or replaced from time to time.

## 1. MEANING OF CERTAIN WORDS

1.1 The definitions in the Key Details table apply to the rest of this Deed.

1.2 In this Deed:

1.2.1 a person includes a body corporate or other legal entity;

1.2.2 when we use the singular, that includes the plural and vice versa;

1.2.3 when we refer to a law or section of a law, that includes any change or replacement of that law;

1.2.4 a reference to the word 'including' or 'includes' means 'including without limitation';

1.2.5 when we use the term 'this Deed' we mean this security over cash deposit;

1.2.6 when we use the term 'HSBC Group' we mean HSBC Holdings plc, its subsidiaries (having the meaning in section 1159 of the Companies Act 2006) and any associated and/or affiliated companies;

1.2.7 when we use the term '**Deposit**' we mean all amounts credited to the Account(s), including all benefits arising in connection with those amounts;

1.2.8 when we use the term "**Account**" we mean the account(s) specified in the schedule to this Deed, including any renewal, substitution or redesignation of the Account(s); and

1.2.9 when we use the term 'indemnify' or refer to an 'indemnity' this means that you will fully protect and compensate us against losses and liabilities that we may incur.

## 2. WHAT YOU AGREE TO PAY US

2.1 You must indemnify us on demand against any costs, losses or liabilities we or any receiver incur:

2.1.1 because of a breach by you, or where there is more than one of you, any of you of this Deed; or

2.1.2 in exercising any powers or purported powers under or in connection with this Deed.

- 2.2 If we think we might, or if we have to, enforce or preserve our rights under, this Deed or have to investigate any breach of this Deed, you will promptly on demand pay us on a full indemnity basis our costs and expenses (including legal fees) associated with us taking such action.
- 2.3 We will charge you interest at the rate which applies to the Debt or (where no other rate of interest is agreed in relation to any Debt) at a rate of 3% per year above our Private Banking base rate (as such base rate may change, and whenever such base rate is less than zero it shall be deemed to be zero) from the date of demand until the date on which you make the payment, if you fail to pay us in accordance with our demand.

#### **What is our Private Banking base rate?**

This is the underlying rate we (HSBC UK Bank plc, Private Banking) use to set the amounts we charge on amounts owing to us. Our base rates usually track interest rates set by central banks. For example, for pounds sterling our base rate is the Bank of England base rate. Details of our current base rates are available on request.

#### **What does indemnify mean?**

'Indemnify' means that you will fully protect and compensate us and any receiver and against losses and liabilities that we may, or any receiver may, incur.

### **3. MINIMUM DEPOSIT**

- 3.1 If a Minimum Deposit amount is specified in the schedule to this Deed, you will always maintain a Deposit of at least that amount.
- 3.2 If the Deposit in the Account is greater than the amount stated as being required, the excess will always be available to you regardless of any other provision of this Deed.

### **4. WHAT WE CAN DO**

- 4.1 At any time, without giving you notice, we can:
- 4.1.1 set-off or transfer the Deposit to reduce the Debt (or part of it) regardless of whether the Debt is due for payment;
  - 4.1.2 combine any Account we hold the Deposit in with any other account you have with us;
  - 4.1.3 value the Debt at an amount we reasonably consider to be appropriate if the Debt is a future or contingent liability; or
  - 4.1.4 if the Debt includes amounts in multiple currencies, convert any amount in one currency to another currency in accordance with clause 15,

without first having enforced our rights under any other security that we have for the Debt or without having taken proceedings against you.

## 5. WHAT YOU AGREE NOT TO DO

5.1 We have no duty to account to you in respect of any part of the Deposit and until the Deposit becomes available to you in accordance with the terms of this Deed you may not, without our prior written consent:

5.1.1 create or allow any type of security to exist over the Deposit except any created in our favour or any expressly permitted in any other agreement between you and us;

5.1.2 dispose of or transfer any of the Deposit; or

5.1.3 withdraw any of the Deposit unless you are permitted to do so under the terms of this Deed.

**When we say 'our prior written consent'** we will not unreasonably withhold consent to a request that you make. You agree that it is reasonable for us to withhold consent to something if, in our reasonable opinion, it might negatively affect:

- the security under this Deed or our ability to enforce this Deed; or
- our ability to recover the Debt

## 6. FURTHER ASSISTANCE YOU WILL PROVIDE

6.1 While this Deed is in place you will, if we ask you, fully co-operate with us and do what we reasonably ask you to do:

6.1.1 in connection with:

(a) any interest conferred or intended to be conferred on us by; or

(b) any of our rights, powers or remedies under,

this Deed.

6.1.2 to create, perfect or protect any security intended to be created by this Deed.

**When we say 'reasonably ask'** you agree that it is reasonable for us to ask you to do something that would, in our reasonable opinion assist with the preservation of our security under this Deed or our ability to recover the Debt.

**What does it mean to "perfect" security?**

When security is taken over an asset, the lender may need to ensure certain legal requirements are satisfied to ensure that the security can be enforced. For example, forms may need to be filed with UK Companies House and/or the Land Registry. Once the legal requirements have been satisfied, the security is deemed to be "perfected".

## **7. NO LIABILITY**

You may not take proceedings against any of our officers, employees or agents in respect of any claim you may have against us or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed and any of our officers, employees or agents may rely on this clause.

## **8. INTEREST**

Unless we tell you otherwise, we will pay any interest payable on the Deposit to another account you hold with us.

## **9. OUR POWERS**

We may exercise any right or power under this Deed without prior notice to you.

## **10. WE CAN REDEEM PRIOR INTERESTS**

We can redeem any prior interest or arrange the transfer of it to us and settle and pass the accounts to any third party concerned. We can do this at any time.

## **11. OUR POWER TO REMEDY**

We may (but we don't have to) do all things which in our reasonable opinion are required to remedy any breach by you of this Deed.

## **12. REPRESENTATIONS**

12.1 You confirm that at all times:

12.1.1 you, and where there is more than one of you, each of you are the sole legal and beneficial owners of the Deposit; and

12.1.2 if you are a company, this Deed does not breach your memorandum or articles of association.

## **13. ADDITIONAL SECURITY, RIGHTS AND REMEDIES**

13.1 This Deed is in addition to and independent of any other guarantee or security which we may hold at any time for any of the Debt.

13.2 Our rights and remedies under this Deed are in addition to, and not in substitution for, any rights or remedies provided by law.

#### **14. EFFECTIVENESS OF THIS DEED**

14.1 The security created under this Deed and your obligations under it shall remain in full force and effect until we discharge it in writing even if any of the following or any other matter or thing occurs:

14.1.1 we:

- (a) accept intermediate payment or discharge in whole or in part of the Debt;
- (b) make any new facility available to you or extend, increase, amend, renew or otherwise vary or waive the Debt or the terms of the facilities we provide to the you or this Deed (in any such case, however fundamentally and whether or not resulting in the Debt or this guarantee becoming more onerous) or take any other guarantee or security from you or any other person;
- (c) agree to release any other guarantee or security or to enter into a payment plan with you or any other person, or make any other arrangement in respect of the Debt or any security with you;
- (d) grant time, waiver or consent to you or any other person;
- (e) transfer any of our rights under this Deed or the Debt;
- (f) do, or fail to do, anything which might affect the enforceability of this Deed;

14.1.2 if any other agreement or security granted by you or any other person is not enforceable.

#### **15. CURRENCY CONVERSION**

15.1 Payments to us should be made in the currency in which they are due. If we receive any money which is in a different currency or if we need to convert any of the Debt or any order, judgment or award given in relation to a payment due from you into a different currency, we may convert this at our prevailing rate of exchange. You must indemnify us on demand against any costs or losses that we incur because of that conversion.

15.2 You waive any rights you may have in any jurisdiction to pay any amount to us in a different currency or currency unit to the currency in which such amount is payable.

### **What is our prevailing rate of exchange?**

This is the rate we (HSBC UK Bank plc, Private Banking) use to convert payments to and from currencies other than the currency of your payment. It's based on the foreign currency market for each currency we offer so changes constantly. The rate will depend on the size of the payment and whether we are buying currency (because you are receiving a payment) or selling currency (because you are making a payment).

## **16. ARRANGEMENTS WITH OTHERS**

We may grant time, vary, release or make any other arrangement in respect of the Debt or any security or guarantee in respect of it. It will not affect this Deed or your liability for the Debt.

## **17. SET-OFF**

If you have money in one of your accounts (except for joint accounts unless each of the joint account holders is a party to this Deed), we may use it to pay off any amount you owe us which is due for payment. This is called set-off.

## **18. RELEASE OF THIS SECURITY**

18.1 We shall at your request and cost do whatever is necessary to release and reassign to you our rights under this Deed and the Deposit, or any part of it, from this Deed:-

18.1.1 once the Debt has been unconditionally and irrevocably paid and discharged in full and no further Debt is capable of being outstanding; or

18.1.2 if we both have agreed that we will hold the Deposit or any part of it for a fixed period, in accordance with the terms agreed between you and us.

18.2 When we release the Deposit or any part of it from this Deed, we may exercise any other rights we may have against the Deposit or that part of it, including rights of set-off, combination or transfer.

18.3 Any release of the Deposit from this Deed is conditional upon any payment or security received by us in respect of the Debt not being avoided, reduced or ordered to be refunded under any law relating to insolvency. We shall be entitled to recover from you the value or amount of any security or payment avoided, reduced or ordered to be refunded as if such release had not occurred.

## **19. FIXED PERIOD DEPOSIT**

19.1 If we both have agreed that we will hold the Deposit (or any part of it) for a fixed period, that agreement:

- 19.1.1 will only be for the purpose of calculating and paying interest;
- 19.1.2 will not affect any of our rights under this Deed;
- 19.1.3 will not stop us from exercising our rights or taking other action under this Deed during the fixed period.

19.2 If we exercise our rights under this Deed, we can end any fixed deposit period and adjust any interest we pay on the Deposit to you accordingly.

19.3 If a fixed period ends, we will continue to hold the Deposit on the terms we have agreed with you, or if no terms have been agreed, on terms we reasonably consider appropriate, until we release the Deposit from this Deed or we may exercise any of our rights against the Deposit including set-off and transfer.

## 20. TRANSFER OF RIGHTS

20.1 Without our prior written consent, you can't transfer any of your rights and obligations under this Deed.

20.2 We can transfer any of our rights and obligations under this Deed to anyone. You agree to sign any additional documents that are required to carry out any such transfer as soon as possible after we ask.

**When we say 'transfer'** we mean any sale, assignment, novation and/or transfer and when we say **'rights and obligations'** we mean any rights, benefits and/or obligations.

## 21. SHARING OF INFORMATION

We will treat all information we hold about you in accordance with our Privacy Policy for Private Banking Clients which you should have received a copy of. If you would like a further copy of the Privacy Policy for Private Banking Clients please let us know and we will provide it to you or you can access it on our public website.

In addition, you, and if there is more than one of you, each of you, consent to us sharing any information about any of you, the Deposit, this Deed or the Debt with:

21.1 any person that we might transfer or have transferred our rights to under this Deed or the Debt;

21.2 any person that we might enter into or have entered into any sub-participation with or any other transaction under which payments are to be made or may be made by reference to any of the documents detailing the Debt or any person who might or does invest in or finance such a transaction;

21.3 any company within the HSBC Group or any of their agents;



- 21.4 any rating agency so it can carry out its normal rating activities;
- 21.5 any person that we have to share that information with in connection with any litigation or similar proceedings;
- 21.6 any person that we are required or requested to share that information with by any court, regulatory authority or similar body, the rules of any stock exchange or under any applicable law or regulation;
- 21.7 any insurer who is or who proposes to provide insurance to us in respect of the Debt; and
- 21.8 any affiliates or professional advisers of any of the above persons.

## **22. THIS DEED**

- 22.1 If any part of this Deed is unenforceable, unlawful or void in any relevant jurisdiction, then that part will be separated from the rest of this Deed in respect of the relevant jurisdiction. The rest of this Deed will continue to be valid and enforceable.
- 22.2 If this Deed is unenforceable or otherwise ineffective against any one or more of you, none of the rest of you will be released from your responsibilities under this Deed.
- 22.3 This Deed remains continuing security against you, and if there is more than one of you, each of you, and if you are an individual, your personal representative, until it is released.

## **23. NOTICES**

### **23.1 Communication by post**

If we send a letter to you, at your last known address or registered office, the letter will be deemed to be received at 12pm two business days after it is posted. In this Deed 'business day' means any day other than a Saturday, Sunday or public holiday in the United Kingdom, where we, as a bank, are open for business.

### **23.2 Communication by electronic channel**

If we send an email to you or use a platform or other electronic channel, the email will be deemed to be received at the time it is sent or, as applicable, at the time the notice or demand is notified to you on the relevant platform or electronic channel.

### **23.3 Deemed notice**

It is your responsibility to notify us in writing of your change in postal or email address. If you fail to do so we will continue contacting you at your previous postal or email address and you will be deemed to have received such correspondence from us.

If any of you receive a letter or email from us, you will all have been deemed to have received the notice or information given in that letter or email.

## **24. 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.

## **25. THIRD PARTY RIGHTS**

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

25.2 The consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

### **What does this statute mean for me?**

The Contracts (Rights of Third Parties) Act 1999 gives powers to third parties in specific circumstances to enforce terms under contracts even if they are not a party to that contract.

Under this Deed, unless we specifically say otherwise, no third party can claim any rights or take any benefits from the terms of the Deed.

## **26. GOVERNING LAW & JURISDICTION**

26.1 English law governs this Deed, its interpretation and any non-contractual obligation arising from or connected with it.

26.2 We and you submit to the non-exclusive jurisdiction of the courts of England and Wales in relation to all matters (including non-contractual) arising from or in connection with this Deed.

**IN WITNESS** of the above, this document, which is intended to take effect as a deed, has been executed by you and is now delivered on the date mentioned above.

## SCHEDULE - ACCOUNTS

Your following accounts:

Account number

(together with any account(s) at any time recording deposit(s) placed for a fixed period from such account(s)).

You must at all times maintain a Deposit of at least £ (the "**Minimum Deposit**")

## EXECUTION PAGES

This is an important legal document. We strongly recommend that you, and where there is more than one of you, each of you, obtain independent legal advice and make sure that you understand it before you sign it.

### Executed as a Deed by the said

\_\_\_\_\_  
**in the presence of:**

Signature of Witness \_\_\_\_\_

Print full name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Occupation \_\_\_\_\_

### Executed as a Deed by the said

\_\_\_\_\_  
**in the presence of:**

Signature of Witness \_\_\_\_\_

Print full name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Occupation \_\_\_\_\_

For and on behalf of HSBC UK Bank plc

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