

# M

CHWP000

COMPANIES FORM No. 466(Scot)

## Particulars of an instrument of alteration to a floating charge created by a company registered in Scotland

# 466

Please do not  
write in  
this margin

Pursuant to section 410 and 466 of the Companies Act 1985

Please complete  
legibly, preferably  
in black type, or  
bold block lettering

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number

12

SC170617

Name of company

\* A D Healthcare Limited

\* insert full name  
of company

Date of creation of the charge (note 1)

05/07/2019

Description of the instrument creating or evidencing the charge or of any ancillary document which has  
been altered (note 1)

Bond and Floating Charge

Names of the persons entitled to the charge

Keiron David Paterson

Short particulars of all the property charged

The whole of the property (including uncalled capital) which is or may be from time to time comprised in  
the property and undertaking of the Company.

Presenter's name address and  
reference (if any):

Blackadders LLP  
53 Bothwell Street  
Glasgow  
G2 6TS

For official use (02/C  
Charges Section

FRIDAY THURSDAY



SCT \*S89ZU34X\* 18/07/2019 #165  
COMPANIES HOUSE

SCT \*S89KUBZE\* 12/07/2019 #302  
COMPANIES HOUSE

Names, and addresses of the persons who have executed the instrument of alteration (note 2)

Please see paper apart attached.

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write in  
this margin*

***Please complete  
legibly, preferably  
in black type, or  
bold block lettering***

Date(s) of execution of the instrument of alteration

Please see paper apart attached.

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

Please see paper apart attached.

Short particulars of any property released from the floating charge

N/A

The amount, if any, by which the amount secured by the floating charge has been increased

N/A

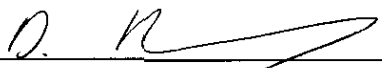
A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

*Please do not  
write in  
this margin*

*Please complete  
legibly, preferably  
in black type, or  
bold block lettering*

Please see paper apart attached.

***Please complete  
legibly, preferably  
in black type, or  
bold block lettering***

Signed  Date 10/07/19  
On behalf of ~~[company]~~ [chargee] ☐

**Notes**

1. A description of the instrument e.g. "Instrument of Charge" "Debenture" etc as the case may be, should be given. ☐ delete as appropriate  
For the date of creation of a charge see section 410(5) of the Companies Act.
2. In accordance with section 466(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.
3. A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.
4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.
5. The address of the Registrar of Companies is: Companies Registration Office, 139 Fountainbridge, Edinburgh EH3 9FF DX 235 Edinburgh

**This is the paper apart referred to in the foregoing Form 466 in respect of the bond and floating charge granted by A D Healthcare Limited in favour of Keiron David Paterson on 5<sup>th</sup> July 2019 and altered by an intercreditor agreement dated 5<sup>th</sup> July 2019 (the "Instrument of Alteration")**

**Names, and addresses of the persons who have executed the Instrument of Alteration**

- (1) HSBC UK BANK PLC, having its registered office at 1 Centenary Square, Birmingham, United Kingdom, B1 1HQ (the "**Senior Creditor**");
  - (2) KEIRON DAVID PATERSON, residing at 4 Claremont Terrace, Glasgow G3 7XR (the "**Vendor**");
  - (3) ANGELLINE (SCOTLAND) LTD., having its registered office at Cairns, Bridge Of Weir Road, Kilmacolkilmacolk, Renfrewshire, PA13 4NU (the "**Borrower**");
  - (4) LOGAN GRAY LIMITED, having its registered office at Cairns, Bridge Of Weir Road, Kilmacolkilmacolk, Renfrewshire, PA13 4NU ("**Logan**");
  - (5) KEIR PHARMACY LIMITED, having its registered office at Cairns, Bridge Of Weir Road, Kilmacolk, Renfrewshire, PA13 4NU ("**Keir**"); and
  - (6) A D HEALTHCARE LIMITED, having its registered office at Cairns, Bridge Of Weir Road, Kilmacolk, Renfrewshire, PA13 4NU ("**A D**"),
- (the Borrower, Logan, A D and Keir together hereinafter being referred to as the "**Companies**" and "**Company**" shall mean any of them")

**Date(s) of execution of the instrument of alteration**

Dates of execution: 4<sup>th</sup> July 2019 and 5<sup>th</sup> July 2019

Date of Delivery: 5<sup>th</sup> July 2019

**A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having priority over, or ranking pari passu with the floating charge**

Clause 4 - Company Undertakings

- 4.6 So long as the Senior Debt is outstanding, no Company shall and each Company shall procure that none of its subsidiaries shall create, or allow to exist, any Security (other than Junior Security) over any of its assets for, or any Guarantee for or in respect of, any of the Junior Debt or in respect of a loan or credit provided to the Vendor by another person or any other arrangement.

**A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of ranking of the floating charge in relation to fixed securities or to other floating charges**

Clause 3.4 - Ranking and Subordination of Security

- 3.4 The Creditors, and each of the Companies agree that the Senior Security and the Junior Security shall be ranked and preferred on the property and on the rents thereof and all of the assets respectively secured thereby and on the proceeds thereof in the event of a sale of the same in the following order of priority:
- 3.4.1 First: the Senior Security in respect of all sums secured thereby, without limit (with the Senior Standard Security ranking in priority to the Senior Floating Charges); and
- 3.4.2 Second: the Junior Security in respect of all sums secured thereby.

## Definitions

**Business Day** means a day other than a Saturday, Sunday or public holiday in Scotland when banks in Edinburgh are open for business.

**Creditors** means the Senior Creditor and the Vendor together, and Creditor means either of the Creditors.

**Debt** means the Senior Debt and the Junior Debt.

**Debt Document** means each of the Junior Documents and the Senior Documents.

**Enforcement Action** means any action to:

- (a) demand or accelerate payment of any of the Debt or make any of the Debt payable on demand;
- (b) crystallise or purport to crystallise any floating charge under the Security Documents;
- (c) enforce or require the enforcement of any of the Security Documents;
- (d) make a demand against any Company under any Guarantee;
- (e) either directly or indirectly, petition for, or take any steps to initiate, an Insolvency Event; and/or
- (f) exercise any right of set-off, counterclaim or combination or similar right or procedure against or in respect of any Company.

**Existing Facility Letter** means the facility letter dated 10 May 2013 between the Borrower and Senior Creditor, as amended on or around the date of the Instrument of Alteration.

**Existing Senior Security Documents** means the documents listed in paragraphs 1 to 3 in part 1 of the Schedule to the Instrument of Alteration.

**Facility Letters** means (i) the Existing Facility Letter (ii) the New Facility Letter (iii) the On-Demand Facility Letter (iv) the Logan Facility Letter (in each case, as the same may be amended, varied, novated or supplemented from time to time).

**Finance Documents** shall have the meaning given to it in the New Facility Letter.

**Floating Charges** means the Senior Floating Charges and the Junior Security Documents.

**Guarantee** means any guarantee, indemnity or other assurance against financial loss.

**Insolvency Event** means any one or more of:

- (a) the passing of a resolution or the making of an order to wind up, liquidate, enter into administration, reorganise or dissolve any Company;
- (b) the appointment of a receiver, administrative receiver, administrator or manager over any of the assets or undertakings of any Company;
- (c) the entering into by any Company of any voluntary arrangement or composition with its Creditors or its ceasing or suspending payment of its debts;
- (d) any person taking possession of any of the assets of any Company pursuant to any charge or other encumbrance; or
- (e) any event analogous to those in paragraphs (a) to (d) above occurs in relation to any Company in any jurisdiction;

**Junior Debt** means all sums, liabilities and obligations payable or owing by the Companies to the Vendor under or in relation to any of the Junior Documents irrespective of whether they are:

- (a) present or future;
- (b) actual, prospective or contingent;
- (c) ascertained or unascertained;
- (d) owed jointly or severally, as principal or surety and/or in any other capacity;
- (e) owed or incurred by or on account of any Company alone or severally or jointly with another person;
- (f) owed or incurred to or for the account of the Vendor alone, severally or jointly with another person;
- (g) owed or incurred as principal, interest, fees, charges, taxes, duties or other imposts, damages (whether for a breach of contract or tort or on any other ground), losses, costs, expenses, or on any other account; or
- (h) comprise any combination of the above;

together with:

- (a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;
- (b) any further advances made by the Vendor under any agreement expressed to be supplemental to the Junior Documents, plus all interest, fees and costs in connection with such advances;

- (c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Junior Documents;
- (d) any claim against any Company flowing from any recovery by that Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise;
- (e) any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of the same in any insolvency or other proceedings affecting any Company; and
- (f) any liability arising in substitution or exchange for, or any modification of any of the above, in connection with any plan or arrangement relating to any Company.

**Junior Default** means a default (howsoever described) under or in terms of the Junior Documents.

**Junior Documents** means the SPA and the Junior Security and any other documents under which sums are or may be in the future payable or owing by any Company to the Vendor.

**Junior Liabilities** means the obligations secured by the Junior Security.

**Junior Security** means any Security in favour of the Vendor created by a Junior Security Document.

**Junior Security Documents** means the documents listed in part 2 of the Schedule to the Instrument of Alteration.

**Liabilities** means the Senior Liabilities and the Junior Liabilities.

**Logan Facility Letter** means the facility letter dated 10 May 2013 between Logan and Senior Creditor.

**New Facility Letter** means the facility Letter dated on or around the date hereof between the Borrower and Senior Creditor.

**On-Demand Facility** means the overdraft facility made available under the On-Demand Facility Letter.

**On-Demand Facility Letter** means the on-demand facility letter dated on or around the date hereof between Keir and Senior Creditor.

**Party** means a party to the Instrument of Alteration.

**Permitted Payment** means a payment to the Vendor permitted under Clause 6.1.

**Receiver** means a receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents.

**Right** means any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

**Schedule** means the schedule to the Instrument of Alteration.

**Security** means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**Security Documents** means the Senior Security Documents and the Junior Security Documents.

**Senior Debt** means all sums, liabilities and obligations payable or owing by the Companies to the Senior Creditor under or in relation to any of the Senior Documents irrespective of whether they are:

- (a) present or future;
- (b) actual, prospective or contingent;
- (c) ascertained or unascertained;
- (d) owed or incurred by or on account of any Company alone or severally or jointly with another person;
- (e) owed jointly or severally, as principal or surety and/or in any other capacity;
- (f) owed or incurred to or for the account of the Senior Creditor alone, severally or jointly with another person;
- (g) owed or incurred as principal, interest, fees, charges, taxes, duties or other imposts, damages (whether for a breach of contract or tort or on any other ground), losses, costs, expenses, or on any other account; or
- (h) comprise any combination of the above;

together with:

- (a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;
- (b) any further advances made by the Senior Creditor under any agreement expressed to be supplemental to the Senior Documents, plus all interest, properly incurred fees and costs in connection with such advances;
- (c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Senior Documents;
- (d) any claim against any Company flowing from any recovery by that Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise;

(e) any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of the same in any insolvency or other proceedings affecting any Company; and

(f) any liability arising in substitution or exchange for, or any modification of any of the above, in connection with any plan or arrangement relating to any Company.

**Senior Default** means an Event of Default or a Termination Event (as the case may be) (as defined in the Facility Letters).

**Senior Documents** means each Facility Letter, the Instrument of Alteration, the Senior Guarantee and the Senior Security Documents.

**Senior Facility** means the loan facility made available under the New Facility Letter.

**Senior Floating Charges** means the floating charges listed in paragraphs 2 to 5 in Part 1 of the Schedule to the Instrument of Alteration.

**Senior Guarantee** means the cross company guarantee dated on or around the date hereof between, among others, the Senior Creditor and the Companies.

**Senior Liabilities** means the liabilities and obligations secured by the Senior Security.

**Senior Security** means any Security in favour of the Senior Creditor created by a Senior Security Document.

**Senior Security Documents** means the documents listed in part 1 of the Schedule to the Instrument of Alteration together with any other document under which Security is created, whether at the date of the Instrument of Alteration or at any later date, which secures any of the Senior Debt.

**Senior Standard Security** means the standard security described in paragraph 1 in Part 1 of the Schedule to the Instrument of Alteration.

**SPA** means the share purchase agreement dated on or around the date hereof made between Keiron David Paterson and Lucie Capaldi and the Borrower.





**FILE COPY**

**CERTIFICATE OF THE REGISTRATION  
OF AN ALTERATION TO A FLOATING CHARGE**

COMPANY NO. 170617  
CHARGE CODE SC17 0617 0012

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT  
OF ALTERATION DATED 5 JULY 2019 WERE DELIVERED  
PURSUANT TO SECTION 466 OF THE COMPANIES ACT 1985  
ON 18 JULY 2019

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 5  
JULY 2019

BY A D HEALTHCARE LIMITED

IN FAVOUR OF  
KEIRON DAVID PATERSON

GIVEN AT COMPANIES HOUSE, EDINBURGH 19 JULY 2019



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

EDINBURGH 6/7/19  
CERTIFIED A TRUE COPY

EXECUTION VERSION

*HM Ward*

MACROBERTS

LLP

**INTERCREDITOR AGREEMENT**

**between**

**HSBC UK BANK PLC**

**KEIRON DAVID PATERSON**

**ANGELLINE (SCOTLAND) LTD.**

**LOGAN GRAY LIMITED**

**KEIR PHARMACY LIMITED**

**and**

**A D HEALTHCARE LIMITED**

MACROBERTS

LLP

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FOR THE PURPOSES OF THE LEGAL WRITINGS (COUNTERPARTS AND DELIVERY)  
(SCOTLAND) ACT 2015, THIS AGREEMENT IS DELIVERED ON **5 JULY** 2019

between

- (1) **HSBC UK BANK PLC** incorporated in England under the Companies Acts (no. 09928412) and having its registered office at 1 Centenary Square, Birmingham, United Kingdom, B1 1HQ (the "**Senior Creditor**");
- (1) **KEIRON DAVID PATERSON**, residing at 4 Claremont Terrace, Glasgow G3 7XR (the "**Vendor**");
- (2) **ANGELINE (SCOTLAND) LTD.** incorporated in Scotland under the Companies Acts (no. SC385592) and having its registered office at Cairns, Bridge Of Weir Road, Kilmacolmkilmacolm, Renfrewshire, PA13 4NU (the "**Borrower**");
- (3) **LOGAN GRAY LIMITED** incorporated in Scotland under the Companies Acts (no. SC253820) and having its registered office at Cairns, Bridge Of Weir Road, Kilmacolmkilmacolm, Renfrewshire, PA13 4NU ("**Logan**");
- (4) **KEIR PHARMACY LIMITED**, incorporated in Scotland under the Companies Acts (no. SC405293) and having its registered office at Cairns, Bridge Of Weir Road, Kilmacolm, Renfrewshire, PA13 4NU ("**Keir**"); and
- (5) **A D HEALTHCARE LIMITED** incorporated under the Companies Acts in Scotland (Registered Number SC170617) and having its registered office at Cairns, Bridge Of Weir Road, Kilmacolm, Renfrewshire, PA13 4NU ("**A D**");

(the Borrower, Logan, A D and Keir together hereinafter being referred to as the "**Companies**" and "**Company**" shall mean any of them").

**WHEREAS:**

- A The Senior Creditor has provided and has agreed to provide the Borrower, Logan and Keir with loan facilities on the terms of the Facility Letters (defined below) and the Companies have entered into, or will enter into, the Senior Security Documents to secure the Senior Debt.
- B In terms of the SPA (defined below), the Vendor has agreed to defer payments in respect of the purchase price due by the Borrower under the SPA and the Companies have entered into, or will enter into, the Junior Security Documents to secure the Junior Debt.
- C The Creditors (defined below) have agreed that the ranking of their respective debts and security shall be as set out in this Agreement.
- D It is a condition precedent to the provision of the Senior Facility and the On-Demand Facility that the Parties enter into this Agreement.
- E The Companies have agreed to enter this Agreement to acknowledge its terms and to give certain undertakings to the Creditors.

**IT IS AGREED as follows:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement, unless the context otherwise requires:

**Business Day** means a day other than a Saturday, Sunday or public holiday in Scotland when banks in Edinburgh are open for business.

**Creditors** means the Senior Creditor and the Vendor together, and **Creditor** means either of the Creditors.

**Debt** means the Senior Debt and the Junior Debt.

**Debt Document** means each of the Junior Documents and the Senior Documents.

**Enforcement Action** means any action to:

- (a) demand or accelerate payment of any of the Debt or make any of the Debt payable on demand;
- (b) crystallise or purport to crystallise any floating charge under the Security Documents;
- (c) enforce or require the enforcement of any of the Security Documents;
- (d) make a demand against any Company under any Guarantee;
- (e) either directly or indirectly, petition for, or take any steps to initiate, an Insolvency Event; and/or
- (f) exercise any right of set-off, counterclaim or combination or similar right or procedure against or in respect of any Company.

**Existing Facility Letter** means the facility letter dated 10 May 2013 between the Borrower and Senior Creditor, as amended on or around the date of this Agreement.

**Existing Senior Security Documents** means the documents listed in paragraphs 1 to 3 in part 1 of the Schedule.

**Facility Letters** means (i) the Existing Facility Letter (ii) the New Facility Letter (iii) the On-Demand Facility Letter (iv) the Logan Facility Letter (in each case, as the same may be amended, varied, novated or supplemented from time to time).

**Finance Documents** shall have the meaning given to it in the New Facility Letter.

**Floating Charges** means the Senior Floating Charges and the Junior Security Documents.

**Guarantee** means any guarantee, indemnity or other assurance against financial loss.

**Insolvency Event** means any one or more of:

- (a) the passing of a resolution or the making of an order to wind up, liquidate, enter into administration, reorganise or dissolve any Company;
- (b) the appointment of a receiver, administrative receiver, administrator or manager over any of the assets or undertakings of any Company;
- (c) the entering into by any Company of any voluntary arrangement or composition with its Creditors or its ceasing or suspending payment of its debts;
- (d) any person taking possession of any of the assets of any Company pursuant to any charge or other encumbrance; or
- (e) any event analogous to those in paragraphs (a) to (d) above occurs in relation to any Company in any jurisdiction;

**Junior Debt** means all sums, liabilities and obligations payable or owing by the Companies to the Vendor under or in relation to any of the Junior Documents irrespective of whether they are:

- (a) present or future;
- (b) actual, prospective or contingent;
- (c) ascertained or unascertained;
- (d) owed jointly or severally, as principal or surety and/or in any other capacity;
- (e) owed or incurred by or on account of any Company alone or severally or jointly with another person;
- (f) owed or incurred to or for the account of the Vendor alone, severally or jointly with another person;
- (g) owed or incurred as principal, interest, fees, charges, taxes, duties or other imposts, damages (whether for a breach of contract or tort or on any other ground), losses, costs, expenses, or on any other account; or
- (h) comprise any combination of the above;

together with:

- (a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;
- (b) any further advances made by the Vendor under any agreement expressed to be supplemental to the Junior Documents, plus all interest, fees and costs in connection with such advances;
- (c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Junior Documents;
- (d) any claim against any Company flowing from any recovery by that Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise;
- (e) any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of the same in any insolvency or other proceedings affecting any Company; and
- (f) any liability arising in substitution or exchange for, or any modification of any of the above, in connection with any plan or arrangement relating to any Company.

**Junior Default** means a default (howsoever described) under or in terms of the Junior Documents.

**Junior Documents** means the SPA and the Junior Security and any other documents under which sums are or may be in the future payable or owing by any Company to the Vendor.

**Junior Liabilities** means the obligations secured by the Junior Security.

**Junior Security** means any Security in favour of the Vendor created by a Junior Security Document.

**Junior Security Documents** means the documents listed in part 2 of the Schedule.

**Liabilities** means the Senior Liabilities and the Junior Liabilities.

**Logan Facility Letter** means the facility letter dated 10 May 2013 between Logan and Senior Creditor.

**New Facility Letter** means the facility Letter dated on or around the date hereof between the Borrower and Senior Creditor.

**On-Demand Facility** means the overdraft facility made available under the On-Demand Facility Letter.

**On-Demand Facility Letter** means the on-demand facility letter dated on or around the date hereof between Keir and Senior Creditor.

**Party** means a party to this Agreement.

**Permitted Payment** means a payment to the Vendor permitted under Clause 6.1.

**Receiver** means a receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents.

**Right** means any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

**Schedule** means the schedule to this Agreement.

**Security** means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**Security Documents** means the Senior Security Documents and the Junior Security Documents.

**Senior Debt** means all sums, liabilities and obligations payable or owing by the Companies to the Senior Creditor under or in relation to any of the Senior Documents irrespective of whether they are:

- (a) present or future;
- (b) actual, prospective or contingent;
- (c) ascertained or unascertained;
- (d) owed or incurred by or on account of any Company alone or severally or jointly with another person;
- (e) owed jointly or severally, as principal or surety and/or in any other capacity;
- (f) owed or incurred to or for the account of the Senior Creditor alone, severally or jointly with another person;
- (g) owed or incurred as principal, interest, fees, charges, taxes, duties or other imposts, damages (whether for a breach of contract or tort or on any other ground), losses, costs, expenses, or on any other account; or
- (h) comprise any combination of the above;

together with:

- (a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;



- (b) any further advances made by the Senior Creditor under any agreement expressed to be supplemental to the Senior Documents, plus all interest, properly incurred fees and costs in connection with such advances;
- (c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Senior Documents;
- (d) any claim against any Company flowing from any recovery by that Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise;
- (e) any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of the same in any insolvency or other proceedings affecting any Company; and
- (f) any liability arising in substitution or exchange for, or any modification of any of the above, in connection with any plan or arrangement relating to any Company.

**Senior Default** means an Event of Default or a Termination Event (as the case may be) (as defined in the Facility Letters).

**Senior Documents** means each Facility Letter, this Agreement, the Senior Guarantee and the Senior Security Documents.

**Senior Facility** means the loan facility made available under the New Facility Letter.

**Senior Floating Charges** means the floating charges listed in paragraphs 2 to 5 in Part 1 of the Schedule.

**Senior Guarantee** means the cross company guarantee dated on or around the date hereof between, among others, the Senior Creditor and the Companies.

**Senior Liabilities** means the liabilities and obligations secured by the Senior Security.

**Senior Security** means any Security in favour of the Senior Creditor created by a Senior Security Document.

**Senior Security Documents** means the documents listed in part 1 of the Schedule together with any other document under which Security is created, whether at the date of this Agreement or at any later date, which secures any of the Senior Debt.

**Senior Standard Security** means the standard security described in paragraph 1 in Part 1 of the Schedule.

**SPA** means the share purchase agreement dated on or around the date hereof made between Keiron David Paterson and Lucie Capaldi and the Borrower.

## 1.2 Interpretation

- 1.2.1 The provisions of Clause 2 (Interpretation) of Schedule 1 of the New Facility Letter apply to this Agreement as though they were set out in full in this Agreement except that references to the New Facility Letter are to be construed as references to this Agreement.
- 1.2.2 clause and paragraph headings shall not affect the interpretation of this Agreement;

- 1.2.3 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;
- 1.2.4 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.5 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.6 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Agreement shall be binding on, and enure to the benefit of, the parties to this Agreement and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.7 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.8 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.9 a reference to writing or written includes fax but not email;
- 1.2.10 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.11 a reference to this Agreement (or any provision of it) or to any other agreement or document referred to in this Agreement is a reference to this Agreement, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Agreement) from time to time;
- 1.2.12 unless the context otherwise requires, a reference to a clause is to a clause of this Agreement;
- 1.2.13 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;
- 1.2.14 a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- 1.2.15 a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.16 a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 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;
- 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; and
- 1.2.19 where any charge ranks with any other charge, such ranking shall be upon the assets secured thereby.

### **1.3 Clawback**

If the Senior Creditor considers that an amount paid in respect of the Senior Debt is capable of

being avoided or otherwise set aside on the liquidation or administration of any Company or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

## **2. RINGFENCING**

The Parties acknowledge that with effect from 01 July 2018, pursuant to the statutory Ring-Fencing Transfer Scheme under Part VII of the Financial Services and Markets Act 2000), the Lender acquired all of HSBC Bank plc's UK commercial banking business including the right, title and interest of HSBC Bank plc in, to and under the Existing Facility Letter, the Logan Facility Letter and the Existing Senior Security Documents and any other deeds, documents or certificates relating thereto.

## **3. RANKING**

### **3.1 Creditor Consent to Junior Security**

The Senior Creditor:

- 3.1.1 consents to the creation or subsistence (as appropriate) of the Junior Security; and
- 3.1.2 confirms that the creation or subsistence of the Junior Security does not constitute a default by any Company under any of the Senior Documents.

### **3.2 Vendor Consent to Senior Security**

The Vendor:

- 3.2.1 consents to the creation or subsistence (as appropriate) of the Senior Security; and
- 3.2.2 confirms that the creation or subsistence of the Senior Security does not constitute a default by any Company under any of the Junior Documents.

### **3.3 Ranking and Subordination of Debt**

- 3.3.1 The Creditors and each of the Companies agree that that the Debt shall rank in right and priority of payment as set out below:
  - (a) the Senior Debt ranks and shall rank in priority to the Junior Debt in all respects;
  - (b) the Junior Debt is and shall be subordinated to the Senior Debt; and
  - (c) no payments (except Permitted Payments) shall be made by any person in respect of the Junior Debt while the Senior Debt is outstanding.
- 3.3.2 The ranking and subordination effected by this Agreement applies at all times, including if an Insolvency Event has occurred and while an Insolvency Event is continuing.

### **3.4 Ranking and Subordination of Security**

The Creditors, and each of the Companies agree that the Senior Security and the Junior Security shall be ranked and preferred on the property and on the rents thereof and all of the assets respectively secured thereby and on the proceeds thereof in the event of a sale of the same in the following order of priority:

- 3.4.1 First: the Senior Security in respect of all sums secured thereby, without limit (with the Senior Standard Security ranking in priority to the Senior Floating Charges); and
- 3.4.2 Second: the Junior Security in respect of all sums secured thereby.

### **3.5 Monies Received by the Vendor**

- 3.5.1 If the Vendor receives any monies in contravention of this Agreement they shall hold those monies in trust for, and pay or transfer them to, the Senior Creditor for application towards the Senior Debt until the Senior Debt is irrevocably discharged.
- 3.5.2 If for any reason, a trust in favour of, or a holding of property for, the Senior Creditor under this Agreement is invalid or unenforceable, the Vendor shall pay and deliver to the Senior Creditor in cash or in kind an amount (or, if in kind, a value) equal to the payment, receipt or recovery which it would otherwise have been bound to hold in trust for, or as property of, the Senior Creditor.

### **3.6 Continuing Status of Security**

Nothing in this Agreement shall affect the status of the Security Documents as continuing security, nor shall the ranking of the Senior Security and the Junior Security in Clause 3.4 be affected by any act, omission, transaction, limitation, matter, thing or circumstance whatsoever which but for this provision might operate to affect the relative priorities of the Security constituted by the Security Documents, including, but not limited to:

- 3.6.1 the nature of the Security constituted by the Security Documents;
- 3.6.2 the date of the respective execution or registration of any of the Security Documents;
- 3.6.3 any provision contained in any of the Security Documents;
- 3.6.4 the respective date (or dates) on which any person received notice of the existence or creation of any Security constituted by any Security Document;
- 3.6.5 the respective date (or dates) on which monies may be, or have been, advanced or become owing or payable under a Debt Document or secured under a Security Document;
- 3.6.6 any fluctuation from time to time in the amount of Liabilities secured by a Security Document and in particular, without limitation, any reduction to nil of the Liabilities so secured;
- 3.6.7 the existence at any time of a credit balance on any current or other account of any Company;
- 3.6.8 the appointment of any liquidator, Receiver, administrator or other similar officer either in respect of any Company or over all or any part of the assets of any Company; or
- 3.6.9 any amendment or supplement to, or variation of, any Debt Document.

### **3.7 Fluctuating Advances**

Notwithstanding the provisions of section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970 and sections 464 and 466 of the Companies Act 1985 or any other rule of law which might operate to the contrary effect, the foregoing provisions as to ranking shall be valid and effective irrespective of (i) the date or dates on which sums advanced or to be advanced by either Creditor to any Company have been or shall be drawn out by or debited to any Company, and/or (ii) the date or dates on which payment obligations of any Company are created, the Vendor having no concern over the composition of or fluctuations in the sum or sums due by any Company to the Senior Creditor.

### **3.8 Alteration of Securities**

- 3.8.1 The Senior Standard Security is hereby varied to the extent specified in this Agreement and this Agreement, so far as affecting the Senior Standard Security, shall be construed and receive effect as variations of the said standard security within the meaning of Section 16 of the Conveyancing and Feudal Reform (Scotland) Act 1970.

3.8.2 In so far as necessary to give effect to the provisions of this Agreement, the Floating Charges are hereby varied and this Agreement shall constitute an instrument of alteration for the purposes of section 466 of the Companies Act 1985.

### **3.9 No Challenge to Security**

Neither Creditor shall challenge or question:

- 3.9.1 the validity or enforceability of any Security constituted by a Security Document;
- 3.9.2 the nature of any Security constituted by a Security Document; or
- 3.9.3 without prejudice to the generality of the foregoing, whether any Security constituted by a Security Document is fixed or floating.

## **4. COMPANY UNDERTAKINGS**

So long as the Senior Debt is outstanding, no Company shall and each Company shall procure that none of its subsidiaries shall:

- 4.1 pay, repay or make any distribution in respect of any of the Junior Debt in cash or in kind (except where such payment is a Permitted Payment);
- 4.2 buy or acquire any of the Junior Debt;
- 4.3 exercise any right of set-off against the Junior Debt except to give effect to a Permitted Payment;
- 4.4 make a loan or provide credit to the Vendor;
- 4.5 take, or omit to take, any action which may impair the ranking or the subordination set out in this Agreement.
- 4.6 create, or allow to exist, any Security (other than Junior Security) over any of its assets for, or any Guarantee for or in respect of, any of the Junior Debt or in respect of a loan or credit provided to the Vendor by another person or any other arrangement;
- 4.7 vary the Junior Documents; or
- 4.8 take, or omit to take, any action which may impair the ranking or the subordination set out in this Agreement

## **5. VENDOR UNDERTAKINGS**

### **5.1 No Payment, Security or Guarantee**

The Vendor undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not:

- (a) demand, take, accept or receive any payment or distribution in respect, or on account of, the Junior Debt in cash or in kind, or apply any money or property in discharge of the Junior Debt (except in respect of a Permitted Payment);
- (b) allow to exist, or receive the benefit of, any Security (other than Junior Security), or receive the benefit of any guarantee from any person in respect of the Junior Debt; or
- (c) take, or omit to take, any action which may impair the ranking or the subordination set out in this Agreement.

### **5.2 No Set-Off**

The Vendor shall not claim any right of set-off, abatement or any other extinction or reduction in respect of any liability which it has to any Company, except to give effect to a Permitted Payment.

### **5.3 No Other Arrangements**

The Vendor shall not make any arrangement which would place, or which aims to place, the Vendor in a position similar to that in which it would be if:

5.3.1 it had received a payment other than a Permitted Payment in respect of the Junior Debt; or

5.3.2 the Junior Debt had been secured by Security (other than the Junior Security).

### **5.4 No Security**

Nothing in Clause 3 or this Clause 5 shall create, or be deemed to create, Security.

## **6. PERMITTED PAYMENTS**

### **6.1 Permitted Payments**

The Borrower may, subject to Clause 6.2 below, make each payment of Initial Deferred Consideration, the Instalments and Final Deferred Consideration due in terms of the SPA, on the relevant due dates or on such other earlier date that they may become due as a result of a Trigger Event (under, and as defined in, the Acquisition Agreement).

### **6.2 When Permitted Payments can be made**

The payments permitted by Clause 6.1 may only be made if:

- (a) no payment default under the Finance Documents has occurred and is continuing or would occur as a result of making the proposed payment;
- (b) the Borrower has sufficient Cash (excluding any Cash derived from financial indebtedness) (as defined in the New Facility Letter) to make such payment; and
- (c) prior to the date of the payment the Borrower has complied with the financial covenants in Schedule 5 (Financial Covenants) of the New Facility Letter.

## **7. PRESERVATION OF RIGHTS**

### **7.1 No Waiver of Rights**

No delay in exercising rights and remedies in respect of the Senior Debt or the Junior Debt, or the Senior Security or the Junior Security, because of any term of this Agreement postponing, restricting or preventing such exercise shall operate as a waiver of any of those rights and remedies.

### **7.2 Junior Debt Remains Due and Payable**

The Junior Debt shall remain owing, or due and payable, from the Companies, and interest and any default interest will accrue on missed payments in accordance with the terms of the Junior Documents despite any term of this Agreement that might postpone, subordinate or prevent payment of the Junior Debt.

## **8. CO-OPERATION BY COMPANIES AND THE VENDORS**

The Senior Creditor may reasonably require any of the Companies and the Vendor, to sign any document and take any steps to protect or give effect to the Vendor's rights under this Agreement and each Company and the Vendor shall take all reasonable steps to comply with any such requirement.

## **9. PRESERVATION OF SUBORDINATION**

### **9.1 Continuing Subordination**

The subordination provisions in this Agreement constitute continuing subordination and shall benefit the ultimate balance of all the Senior Debt, regardless of any intermediate payment or discharge in whole or in part.

### **9.2 Waiver of Defences**

The subordination in this Agreement, and the obligations of the Vendor under this Agreement, will not be affected by any act, omission, matter or thing which, but for this provision, would reduce, release or prejudice the subordination, or any of those obligations, including (without limitation and whether or not known to any party):

- 9.2.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which a Creditor may now, or after the date of this Agreement, have from or against any Company or any other person;
- 9.2.2 any act or omission by a Creditor or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against any Company or any other person;
- 9.2.3 any termination, amendment, variation, novation, replacement or supplement of or to any Debt Document;
- 9.2.4 any grant of time, indulgence, waiver or concession to any Company or any other person;
- 9.2.5 any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of any Company or any other person;
- 9.2.6 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, any Company or any other person under any Debt Document or any other document or security; or
- 9.2.7 any claim or enforcement of payment from any Company or any other person.

### **9.3 Immediate Recourse**

The Senior Creditor shall not be obliged, before claiming the benefit of this Agreement, to:

- 9.3.1 take any action or obtain judgment in any court against any Company or any other person;
- 9.3.2 make or file any claim in a bankruptcy, liquidation, administration or insolvency of any Company or any other person; or
- 9.3.3 make, demand, enforce or seek to enforce any claim, right or remedy against any Company or any other person.

## **10. WAIVER AND AMENDMENT OF DEBT DOCUMENTS**

### **10.1 Amendments to Senior Documents**

10.1.1 The Senior Creditor shall be entitled at any time to amend or waive any term of the Senior Documents whatsoever including so as to, in relation to the original form of the Senior Documents:

- (a) increase the maximum principal amount of the Senior Facility and/or the On-Demand Facility;

- (b) defer scheduled repayments or mandatory prepayments of the Senior Facility and/or the On-Demand Facility; or
- (c) alter the basis on which interest or fees payable under or in connection with the Senior Documents accrue, are calculated or are payable.

9.2.1 The Senior Creditor shall notify the Vendor of any material amendments to the Senior Documents

## **10.2 Senior Security**

10.2.1 The Senior Creditor is permitted to take any additional Security or Guarantee as security or a Guarantee for the Senior Debt.

10.2.2 So long as the Senior Debt is outstanding, the Senior Creditor will be entitled to (but not obliged to) take the deposit of any title deeds, share certificates or other title documents, certificates or paper in respect of any assets subject to the Senior Security in priority to the entitlement of the Vendor.

10.2.3 The Vendor and each of the Companies agree to cooperate with the Senior Creditor with a view to reflecting the priority of the Senior Security in any register or with any filing or registration authority and in giving notice to insurers, debtors liable for receivables or any other person.

## **10.3 Amendments to Junior Documents**

So long as the Senior Debt is outstanding, the Vendor shall not amend or alter any term of any Junior Document and no Company shall agree or permit any such amendment or alternation, provided that the Junior Documents may be amended where such amendments or alterations:

- 10.3.1 do not adversely affect the interests of the Senior Creditor;
- 10.3.2 do not increase the amount of any payment or change the timing of any payment;
- 10.3.3 are mechanical or administrative in nature; and
- 10.3.4 are made with the prior consent in writing of the Senior Creditor.

## **11. SENIOR DEBT ENFORCEMENT**

### **11.1 Enforcement – Senior Creditor**

11.1.1 The Senior Creditor may enforce the Senior Security at the time and in the manner as it sees fit and solely having regard to its own interests.

6.1.2 The Senior Creditor shall not be responsible to any other Party for any delay in enforcing or failure to enforce or to maximise the proceeds of enforcement and may cease any such enforcement at any time.

### **11.2 Marshalling**

The Vendor waives any right they have, or may have in the future, to marshalling in respect of any Senior Security.

### **11.3 Co-Operation by the Vendor**

11.3.1 The Vendor will, at the request of the Senior Creditor or any Receiver or administrator appointed by the Senior Creditor, join in such documents or otherwise take such action as may be reasonably required by the Senior Creditor or such Receiver or administrator to facilitate the disposal of any asset subject to the Senior Security whether or not there will be any balance of proceeds available for the Vendor arising from that disposal.



11.3.2 The Vendor shall comply with any directions given by the Senior Creditor in respect of any enforcement of the Senior Security taken or to be taken by the Senior Creditor.

11.3.3 The Vendor waive any right they may have of requiring that insurance proceeds be applied in reinstatement of any asset subject to any of the Security.

## **12. JUNIOR DEBT ENFORCEMENT**

### **12.1 No Service of Demand or Notice**

Except with the prior written consent of the Senior Creditor, the Vendor shall not:

12.1.1 serve a demand for the payment of any of the Junior Debt on any Company (save in relation to a Permitted Payment);

12.1.2 serve a notice on any Company to the effect that any of the Junior Debt is immediately due and payable (save in relation to a Permitted Payment); or

12.1.3 present, or join in, an application for an administration order or a petition for a winding-up order to be made in relation to any Company or initiate, or support or take, any step with a view to any voluntary arrangement or assignment for the benefit of Creditors or similar proceeding involving any Company or issue a notice of intention to appoint an administrator or appoint an administrator of any Company or take any analogous action to the foregoing in any jurisdiction.

### **12.2 Compliance with Senior Creditor Directions**

The Vendor shall comply with any directions given to it by the Senior Creditor relating to taking any of the following actions:

12.2.1 presenting an application for an administration order or a petition for a winding-up order to be made in relation to any Company;

12.2.2 joining in, or opposing, such an application or a petition; or

12.2.3 voting for or against, or accepting or rejecting:

- (a) any proposal in a voluntary arrangement or administration in relation to any Company or in its winding up;
- (b) any scheme of arrangement proposed in relation to any Company; or
- (c) any rescheduling, refinancing or reorganisation agreement or moratorium in respect of any debts of any Company.

### **12.3 Enforcement Action by the Vendor**

The Vendor undertakes to the Senior Creditor as follows:

12.3.1 If a default occurs in respect of the Junior Debt, the Vendor shall immediately give notice of that default to the Senior Creditor; and

12.3.2 It shall not, without the prior written consent of the Senior Creditor, commence or take any Enforcement Action in relation to the Junior Debt or the Junior Security.

### **12.4 Creditor Action**

The Senior Creditor may, following receipt of a notice of Junior Debt default from the Vendor under Clause 12.3.1, take whatever action it deems, in its absolute discretion, appropriate in respect of the Senior Debt.

### **12.5 Release of claims on disposals**

If, pursuant to any enforcement of the Security, the Senior Creditor or any receiver or administrator appointed by the Senior Creditor, or (with the consent of the Senior Creditor) any Company or any administrator of any Company, sells any asset of any Company, the Vendor must promptly take such action as the administrator, receiver or Creditor requests to release and discharge the Junior Security.

### **13. APPLICATION OF PROCEEDS**

#### **13.1 Priorities**

The priority of the Creditors shall stand (regardless of the order of execution, registration or notice or otherwise) so that all proceeds resulting from enforcement or realisation of all or any part of the Security constituted by any of the Security Documents and any other amounts received pursuant to this Agreement shall, after providing for all payments ranking in priority as a matter of law, be applied in the following order of priority:

- 13.1.1 first, in or towards the payment of all properly incurred fees, costs and expenses incurred by or on behalf of the Senior Creditor in connection with enforcement of the Security;
- 13.1.2 second, in or towards discharge of the Senior Debt;
- 13.1.3 third, once the Senior Debt has been fully discharged, in or towards discharge of the Junior Debt; and
- 13.1.4 fourth, once the Junior Debt has been fully discharged, to the Borrower or any other person entitled to it.

#### **13.2 Purchaser Protection**

No purchaser dealing with a Creditor or any Receiver shall be concerned in any way with the provisions of this Agreement, but shall assume that the Creditor or Receiver, as the case may be, is acting in accordance with the provisions of this Agreement.

### **14. COMPANY INSOLVENCY**

#### **14.1 The Vendor**

If an Insolvency Event occurs while the Senior Debt is outstanding, the Senior Creditor may and is irrevocably authorised on behalf of the Vendor, to:

- 14.1.1 take any Enforcement Action against any of the Companies;
- 14.1.2 demand, claim, enforce and prove for the Junior Debt;
- 14.1.3 file claims and proofs, give receipts and take all such proceedings and do all such things as the Senior Creditor sees fit to recover the Junior Debt; and
- 14.1.4 receive all payments and distributions of any kind on the Junior Debt for application towards the Debt in the order set out in Clause 13 (Application of Proceeds).

14.2 If and to the extent that the Senior Creditor does not wish to or is not entitled to take any of the action referred to in Clause 14.1, the Vendor undertakes to take any action, give any notices and exercise any powers which the Senior Creditor reasonably requires from time to time including surrendering any Security and filing a proof of debt for the prescribed part.

14.3 Each Party shall direct any insolvency representative to pay distributions directly to the Senior Creditor until the Senior Debt is irrevocably paid in full. The Vendor will give all such notices and do all such things as the Senior Creditor may reasonably request to give effect to this provision.

14.4 Between the Companies and their creditors, no payments or receipts under this Clause 14 shall be deemed to constitute payment by any Company to the Senior Creditor in respect of the Senior Debt.

14.5 If the performance of its obligations under the Debt Documents confers any rights (of subrogation or otherwise) on a Creditor to assume the benefit of any rights of another Creditor ranking ahead of it under this Agreement, it shall not be entitled to exercise any such rights before the prior ranking Party has been irrevocably repaid in full.

**14.6 Payment to Creditor**

The Vendors shall pay all monies received by it as a result of steps it takes in accordance with Clause 14.1 to the Senior Creditor, after deducting all reasonable costs and expenses (including legal fees and expenses) incurred in recovering those monies.

**14.7 Suspense Account**

The Senior Creditor may hold all monies received by it under Clause 14.2 in a suspense account and may apply them in reduction of the Senior Debt or otherwise in accordance with Clause 13.

**15. POWER OF ATTORNEY**

**15.1 Appointment of Attorney**

By way of security, each of the Companies and the Vendor irrevocably appoint the Senior Creditor to be its attorney and, in its name, on its behalf and as its act and Agreement, to execute any documents and do any acts and things which the Companies or the Vendor are required to execute and do under this Agreement.

**15.2 Ratification of Acts of Attorney**

Each of the Companies and the Vendor ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in Clause 15.1.

**16. EXPENSES**

**16.1 Amendment Costs and Expenses**

The Borrower shall, within fifteen Business Days of written demand, pay to, or reimburse, each Creditor, all proper and reasonable costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by that Creditor in connection with any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) relating to this Agreement, together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date falling ten Business Days after written demand 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 Debt Documents.

**16.2 Enforcement Costs and Expenses**

The Borrower shall, within fifteen Business Days of written demand, pay to each Creditor the amount of all proper and reasonable costs and expenses (including legal, printing and out-of-pocket expenses) incurred by that Creditor in connection with enforcing, preserving any rights under, or monitoring the provisions of this Agreement.

**17. DURATION**

This Agreement shall cease to have effect when the Senior Debt has, to the satisfaction of the Senior Creditor, been irrevocably and unconditionally paid and discharged in full.

## **18. RESTRICTIONS ON ASSIGNATIONS**

### **18.1 Assignment by the Vendor**

The Vendor shall not be entitled to assign, transfer and/or otherwise dispose of (i) all or any of its rights and/or obligations under any of the Junior Documents nor (ii) all or any part of the Junior Debt (including by way of security) unless the assignee, transferee or dispone (as the case may be) enters into a deed (in a form satisfactory to the Senior Creditor) agreeing to be bound by the terms of this Agreement as Vendor.

### **18.2 Assignment by Creditor**

The Senior Creditor shall be entitled to assign or otherwise transfer any of its rights and/or obligations under this Agreement to any party to whom it transfers any of its rights and/or obligations in respect of the Senior Debt.

## **19. COMPANIES' ACKNOWLEDGEMENTS**

### **19.1 Companies' Acknowledgement and Consent**

Each Company acknowledges the terms of this Agreement and consents to the Creditors communicating with each other about any Company's affairs for the purposes of this Agreement.

### **19.2 No Reliance by any Company**

Each Company further acknowledges that none of the provisions entered into by the Creditors are for the benefit of any Company, nor may they be enforced or relied on by any Company.

## **20. ENDORSEMENT ON DEBT DOCUMENTS**

Each Creditor shall endorse a memorandum of this Agreement on each Debt Document entered into, or to be entered into, in its favour, and shall deliver a copy of any such Debt Document to the other Creditor as soon as reasonably practicable after it enters into that Debt Document.

## **21. REMEDIES, WAIVERS, AMENDMENTS AND CONSENTS**

### **21.1 Amendments**

Any amendment to this Agreement shall be in writing and signed by, or on behalf of, each party, except that:

21.1.1 the Senior Creditor does not need the Vendor's consent to an amendment to this Agreement (and the Vendor need not be party to any amendment document) that only alters the Companies' obligations to the Senior Creditor and the corresponding rights of the Senior Creditor; and

21.1.2 neither Creditor needs any Company's consent to an amendment to this Agreement (and the Companies need not be party to any amendment document) that only alters the obligations of one Creditor to the other Creditor and the corresponding rights of that other Creditor.

### **21.2 Waivers and Consents**

21.2.1 A waiver of any right or remedy under this Agreement or by law, or any consent given under this Agreement, 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.

21.2.2 A failure to exercise, or delay by a party in exercising, any right or remedy provided under this Agreement 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 Agreement. No single or partial exercise of any right or remedy provided under this Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Agreement by a Creditor shall be effective unless it is in writing.

### **21.3 Rights and Remedies**

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

## **22. SEVERANCE**

If any provision (or part of a provision) of this Agreement 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 Agreement.

## **23. COUNTERPARTS**

23.1 This Agreement 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 Agreement.

23.2 Where this Agreement is executed in counterparts:

23.2.1 it shall not take effect until all counterparts have been delivered;

23.2.2 where any counterpart is being held as undelivered, delivery will take place only when the date of delivery is agreed between the Parties after execution of this Agreement; and

23.2.3 such date of delivery shall be inserted in the blank provided for that purpose on page 1 of this Agreement.

## **24. NOTICES**

### **24.1 Delivery**

Each notice or other communication required to be given under or in connection with this Agreement shall be:

24.2 in writing;

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

24.4 sent to:

(a) the Senior Creditor at:

80 Hanover Street

Edinburgh, EH2 1EL

Attention: Nigel Kerr

(b) the Vendor at:

4 Claremont Terrace, Glasgow G3 7XR

Attention: K Paterson

- (c) the Borrower at:
- Cairns  
 Bridge Of Weir Road  
 Kilmacolm  
 Renfrewshire, PA13 4NU  
 Attention: June Friel
- (d) Keir at:
- Cairns  
 Bridge Of Weir Road  
 Kilmacolm  
 Renfrewshire, PA13 4NU  
 Attention: June Friel
- (e) A D at:
- Cairns  
 Bridge Of Weir Road  
 Kilmacolm  
 Renfrewshire, PA13 4NU  
 Attention: June Friel

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

#### **24.5 Receipt**

Any notice or other communication given under or in connection with this Agreement shall be deemed to be received:

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

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

24.5.3 if sent by fax, when received in legible form.

A notice or other communication given as described in Clause 24.5.1 or Clause 24.5.2 on a day which 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.

#### **24.6 Service of Proceedings**

This Clause 24 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.

#### **24.7 No Notice by Email**

A notice or other communication given under or in connection with this Agreement is not valid if sent by email.

#### **24.8 Conflict with other Debt Documents**

**24.8.1** Where the provisions of this Agreement conflict or inconsistency with any provision in any other Debt Document, those in this Agreement shall prevail.

**24.8.2** The Vendor shall include within the Junior Security Documents a clear statement to the effect that each such document is subject in all respects to the terms of this Agreement.

#### **24.9 Notifications**

**24.9.1** The Vendor shall promptly notify the Senior Creditor of any Junior Default.

**24.9.2** The Senior Creditor shall promptly notify each other Party of any Enforcement Action that it has taken.

**24.9.3** The Companies shall notify the Senior Creditor of a Senior Default or Junior Default as soon as practicable.

**24.9.4** Each of the Creditors will, on written request by any other Creditor, promptly disclose to that Creditor how much of its Debt is outstanding.

**24.9.5** The Senior Creditor shall inform the Vendors promptly upon the Senior Debt being paid and discharged in full.

### **25. GOVERNING LAW AND JURISDICTION**

#### **25.1 Governing Law**

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

#### **25.2 Jurisdiction**

Each party irrevocably agrees that, subject as provided below, the Scottish courts shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation. Nothing in this clause shall limit the right of the Senior Creditor to take proceedings against any Company or the Vendor 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

Each of the Companies and the Vendor 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 Agreement relating to service of notices. Nothing contained in this Agreement shall affect the right to serve process in any other manner permitted by law.

**IN WITNESS WHEREOF** these presents consisting of this and the nineteen preceding pages together with the Schedule are executed as follows and are delivered for the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 on the date specified on page 1 of this Agreement:-


**SIGNED** on behalf of **HSBC UK BANK PLC** by **NIGEL KERR**, Director/Secretary/Authorised Signatory at **Edinburgh** on **05.07.19** in the presence of:

Witness: 

Full Name: NATALEY PATERSON

Address: 76 MANOCHA STREET,

EDINBURGH, EH2 4AA.

  
Director/Secretary/Authorised Signatory

**SIGNED** by **KEIRON DAVID PATERSON** at

on

in the presence of:

Witness: .....

Full Name: .....

KEIRON DAVID PATERSON

Address: .....

**SIGNED** on behalf of **ANGELLINE (SCOTLAND) LTD.** by  
Director/Secretary/Authorised Signatory at

on

in the presence of:

Witness: .....

Full Name: .....

Director/Secretary/Authorised Signatory

Address: .....



### 25.3 Other Service

Each of the Companies and the Vendor 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 Agreement relating to service of notices. Nothing contained in this Agreement shall affect the right to serve process in any other manner permitted by law.

**IN WITNESS WHEREOF** these presents consisting of this and the nineteen preceding pages together with the Schedule are executed as follows and are delivered for the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 on the date specified on page 1 of this Agreement:-

**SIGNED** on behalf of **HSBC UK BANK PLC** by \_\_\_\_\_, Director/Secretary/Authorised Signatory at \_\_\_\_\_ on \_\_\_\_\_ in the presence of:

Witness: .....

Full Name: .....  
Director/Secretary/Authorised Signatory

Address: .....  
.....

**SIGNED** by **KEIRON DAVID PATERSON** at Glasgow on 4 July 2019 in the presence of:

Witness:  .....

Full Name: ZOE CAROL WOOD .....

Address: 53 BOTHWELL ST  
GLASGOW .....

  
KEIRON DAVID PATERSON

**SIGNED** on behalf of **ANGELLINE (SCOTLAND) LTD.** by \_\_\_\_\_, Director/Secretary/Authorised Signatory at \_\_\_\_\_ on \_\_\_\_\_ in the presence of:

Witness: .....

Full Name: .....  
Director/Secretary/Authorised Signatory

Address: .....  
.....

### 25.3 Other Service

Each of the Companies and the Vendor 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 Agreement relating to service of notices. Nothing contained in this Agreement shall affect the right to serve process in any other manner permitted by law.

**IN WITNESS WHEREOF** these presents consisting of this and the nineteen preceding pages together with the Schedule are executed as follows and are delivered for the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 on the date specified on page 1 of this Agreement:-

**SIGNED** on behalf of **HSBC UK BANK PLC** by \_\_\_\_\_, Director/Secretary/Authorised Signatory at \_\_\_\_\_ on \_\_\_\_\_ in the presence of: \_\_\_\_\_

Witness: .....

Full Name: .....  
Director/Secretary/Authorised Signatory

Address: .....  
.....

**SIGNED** by **KEIRON DAVID PATERSON** at \_\_\_\_\_ on \_\_\_\_\_ in the presence of: \_\_\_\_\_

Witness: .....

Full Name: .....  
KEIRON DAVID PATERSON

Address: .....  
.....

**SIGNED** on behalf of **ANGELLINE (SCOTLAND) LTD.** by **JUNE ANGELA FRIEL**, Director/Secretary/Authorised Signatory at **GLASGOW** on **5/7/19** in the presence of: \_\_\_\_\_

Witness:  .....

Full Name: **Barry McKenna** .....  
Director/Secretary/Authorised Signatory

Address: **1 WEST REGENT ST**  
**GLASGOW** .....

SIGNED on behalf of **LOGAN GRAY LIMITED** by *JUNE ANGELA PRIEL* on *5 JULY 2019* in the presence of:  
 Director/Secretary/Authorised Signatory at *GLASGOW*

Witness: *[Signature]*

Full Name: *BARNEY MCKEOWN*

Address: *1 WEST REGENT ST*  
*GLASGOW*

Director/Secretary/Authorised Signatory *[Signature]*

SIGNED on behalf of **KEIR PHARMACY LIMITED** by *JUNE ANGELA PRIEL* on *5 JULY 2019* in the presence of:  
 Director/Secretary/Authorised Signatory at *GLASGOW*

Witness: *[Signature]*

Full Name: *BARNEY MCKEOWN*

Address: *1 WEST REGENT ST*  
*GLASGOW*

Director/Secretary/Authorised Signatory *[Signature]*

SIGNED on behalf of **A D HEALTHCARE LIMITED** by *JUNE ANGELA PRIEL* on *5 JULY 2019* in the presence of:  
 Director/Secretary/Authorised Signatory at *GLASGOW*

Witness: *[Signature]*

Full Name: *BARNEY MCKEOWN*

Address: *1 WEST REGENT ST*  
*GLASGOW*

Director/Secretary/Authorised Signatory *[Signature]*

This is the schedule referred to in the foregoing intercreditor agreement among HSBC UK Bank plc, Keiron David Paterson, Angelline (Scotland) Ltd., Logan Gray Limited, Keir Pharmacy Limited and A D Healthcare Limited

## **Schedule**

### **PART 1**

1. means the standard security over ALL and WHOLE the property known as and forming Units 1 & 2, 27 Links Road, Longniddry, EH32 0NH being the subjects registered in the Land Register of Scotland under Title Number ELN16146 granted by the Borrower in favour of the Senior Creditor in security for the Senior Liabilities dated 10 October 2016 and registered in the Land Register of Scotland under Title Number ELN16146 on 24 October 2016 and registered at the Registrar of Companies on 26 October 2016;
2. the all assets floating charge granted by the Borrower in favour of the Senior Creditor in security for the Senior Liabilities, dated 10 May 2013 and registered at the Registrar of Companies on 10 May 2013;
3. the all assets floating charge granted by Logan in favour of the Senior Creditor in security for the Senior Liabilities, dated 10 May 2013 and registered at the Registrar of Companies on 10 May 2013;
4. the all assets floating charge granted by Keir in favour of the Senior Creditor in security for the Senior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies; and
5. the all assets floating charge granted by A D in favour of the Senior Creditor in security for the Senior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies.

**PART 2**

1. the all assets floating charge granted by the Borrower in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
2. the all assets floating charge granted by Logan in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
3. the all assets floating charge granted by Keir in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies; and
4. the all assets floating charge granted by A D in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies.

*Nigel Keir*

HSBC UK BANK PLC

KEIRON DAVID PATERSON

ANGELLINE (SCOTLAND) LTD.

LOGAN GRAY LIMITED

KEIR PHARMACY LIMITED

A D HEALTHCARE LIMITED

**PART 2**

1. the all assets floating charge granted by the Borrower in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
2. the all assets floating charge granted by Logan in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
3. the all assets floating charge granted by Keir in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies; and
4. the all assets floating charge granted by A D in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies.

.....  
  
 .....  
**HSBC UK BANK PLC**

**KEIRON DAVID PATERSON**

.....  
**ANGELLINE (SCOTLAND) LTD.**

.....  
**LOGAN GRAY LIMITED**

.....  
**KEIR PHARMACY LIMITED**

.....  
**A D HEALTHCARE LIMITED**

**PART 2**

1. the all assets floating charge granted by the Borrower in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
2. the all assets floating charge granted by Logan in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies;
3. the all assets floating charge granted by Keir in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies; and
4. the all assets floating charge granted by A D in favour of the Vendor in security for the Junior Liabilities, dated on or around the date hereof, and to be registered with the Registrar of Companies.

.....  
**HSBC UK BANK PLC**

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**KEIRON DAVID PATERSON**

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**ANGELINE (SCOTLAND) LTD.**

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**LOGAN GRAY LIMITED**

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**KEIR PHARMACY LIMITED**

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**A D HEALTHCARE LIMITED**