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CHWP000

COMPANIES FORM No. 466(Scot)

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

466

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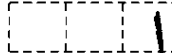
Pursuant to section 410 and 466 of the Companies Act 1985

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



SC232635

Name of company

* M.E.G. Renewables Limited (SC232635) (the "Company")
with registered office at Caledonia House 5 Inchinnan Drive, Inchinnan, Renfrew, Scotland, PA4 9AF

Date of creation of the charge (note 1)

14 February 2003

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

Floating Charge

Names of the persons entitled to the charge

HSBC Bank plc (now HSBC UK Bank plc by virtue of the Ring-Fencing Transfer Scheme effected
pursuant to Part VII of the Financial Services and Markets Act 2000 and approved by the High Court of
Justice of England and Wales by Court Order (FS-2018-000001))

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):

Shepherd and Wedderburn LLP
1 Exchange Crescent,
Conference Square, Edinburgh,
EH3 8UL
Ref: M1965.2460-04

For official use (02/06)

Charges Section

Post room

FRIDAY



SA22E8G0
SCT 09/04/2021 #49
COMPANIES HOUSE

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

See Part 1 of the paper apart Schedule to this Form 466

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

Date(s) of execution of the instrument of alteration

12 March 2021

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

See Part 2 of the paper apart Schedule to this Form 466

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

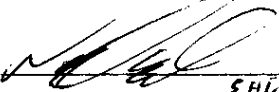
A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

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

See Part 3 of the paper apart Schedule to this Form 466

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

Signed  FOR AND ON BEHALF OF Date 9 April 2021
On behalf of [company] [chargee] SHEPHERD AND WEDDERBURN LLP

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 schedule referred to in the foregoing Form M466 relative to the Intercreditor Agreement dated 12 March 2021 and entered into between HUK103 Limited, HSBC UK Bank plc and others

Schedule

Part 1

Names and addresses of the persons who have executed the instrument of alteration

Where a party has executed the instrument of alteration (the "**Intercreditor Agreement**") in more than one capacity, each capacity in which such party has executed the Intercreditor Agreement is stated below:

- 1 HUK103 Limited as ABL lender (the "**ABL Lender**");
- 2 HSBC UK Bank plc as term loan lender (the "**Term Loan Lender**");

(the parties listed in Paragraphs 1 and 2 above being, together, the "**Senior Creditors**")
- 3 Each of (i) Andrew McGeoch (ii) Neil McGeoch and (iii) Olga Jane McGeoch (the "**Original Subordinated Creditors**" and each an "**Original Subordinated Creditor**");
- 4 Mackays Stores Group Limited (company number SC223864) whose registered office is at Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew, PA4 9AF (the "**Parent**") and in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 5 M&Co Trading Limited (company number SC662082) whose registered office is at Caledonia House 5 Inchinnan Drive, Inchinnan, Renfrew, Scotland, PA4 9AF ("**Opco**") and in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 6 Mackay Stores (Holdings) Limited (company number SC054092) whose registered office is at Caledonia House 5 Inchinnan Drive, Inchinnan, Renfrew, Scotland, PA4 9AF ("**Propco**"), in its capacity as (i) Propco, (ii) Original Debtor and (iii) Intra-Group Lender;
- 7 B.R. & G.J. Twitchett Limited (company number 01119808), whose registered office is at 20 Conduit Place, Paddington, London, W2 1HS, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 8 G.E. Worthington Limited (company number 01475680), whose registered office is at 20 Conduit Place, Paddington, London, W21HS, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 9 Glenfinglas Hydro Ltd (company number SC500317), whose registered office is at Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew, PA4 9AF, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 10 Janpro Ltd (company number SC145340), whose registered office is at Caledonia House, 5 Inchinnan, Drive, Inchinnan, Renfrew, PA4 9AF, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 11 Laroque Limited (company number 03818302), whose registered office is at 20 Conduit Place, Paddington, London, W2 1HS, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;
- 12 M&Co Services Limited (company number SC662036), whose registered office is at Caledonia House 5 Inchinnan Drive, Inchinnan, Renfrew, Scotland, PA4 OAF, in its capacity as (i) Original

Debtor and (ii) Intra-Group Lender;

- 13 M.E.G. Renewables Limited (company number SC232635), whose registered office is at Caledonia House, 5 Inchinnan, Drive, Inchinnan, Renfrew, PA4 9AF, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;

- 14 William McIlroy Swindon Limited (company number 00543328), whose registered office is at 20 Conduit Place, Paddington, London, W21HS, in its capacity as (i) Original Debtor and (ii) Intra-Group Lender;

(the parties listed in Paragraphs 4 – 14 above being, together, the "**Original Debtors**" and "**Intra-Group Lenders**")

- 15 Allan Christopher Martin, Matthew Richard McKimmie, Rebecca Hammond and 20-20 Trustee Services Limited (Registered Number 01050578) whose registered office address is at 100 Wood Street, London, England, EC2V 7AN as trustees of the Mackay Stores Limited Retirement Benefits Scheme (the "**Pension Scheme Trustees**").

Schedule

Part 2

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

- 1 Prior to the Senior Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities unless:
 - (a) that Security, guarantee, indemnity or other assurance against loss is expressly permitted by the Senior Facilities Agreements; or
 - (b) the prior consent of the Senior Creditors is obtained.
- 2 Prior to the Senior Discharge Date, no member of the Group may take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Propco Liabilities.
- 3 The Subordinated Creditors may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Group in respect of any of the Subordinated Liabilities prior to the Senior Discharge Date unless the prior consent of the Senior Creditors is obtained.
- 4 Prior to the Senior Discharge Date, the Pension Scheme Trustees may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any Debtor in respect of the Pension Scheme Liabilities other than the Pension Scheme Security Documents and the Pension Scheme Guarantee, unless the prior consent of the Senior Creditors is obtained.

Schedule

Part 3

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

- 1 Subject to the provisions on standstill and enforcement in clause 3.6 (*Permitted Enforcement: Term Loan Lender*) of the Intercreditor Agreement: in relation to the Transaction Security granted by Opco
 - (i) each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security shall rank at all times and for all purposes in priority to the Term Loan Security regardless of:
 - (ii) the date upon which the ABL Liabilities and the Term Loan Liabilities arose;
 - (iii) the order of registration, recording, notice or execution of the Intercreditor Agreement, the ABL Security Documents and the Term Loan Security Documents;
 - (iv) any fluctuations in the amount of the ABL Liability or any intermediate discharge of the ABL Liability; and
 - (v) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.
- 2 For the purposes of the Insolvency Act 1986 (as amended by the Enterprise Act 2002):
 - (i) the Term Loan Lender confirms for the benefit of the ABL Lender that the floating charges created by the ABL Security Documents have priority over the floating charges created by the Term Loan Security Documents over all Group Companies (other than the floating charges granted by Propco and B.R. and G.J. Twitchett Limited in favour of the Term Loan Lender) notwithstanding the date of creation of such floating charges; and
 - (ii) without prejudice to the priority accorded to the floating charges created by the ABL Security Documents by paragraph (i) above and insofar as the floating charges created by the Term Loan Security Documents are prior floating charges within the meaning of paragraph 15 of schedule B1 to the Insolvency Act 1986, the Term Loan Lender hereby confirms that it will promptly provide consent upon the receipt of any notice from the ABL Lender that the ABL Lender may be obliged to give in accordance with that paragraph to the appointment of an Administrator by the ABL Lender.
- 3 Subject to the provisions on standstill and enforcement in clause 3.6 (*Permitted Enforcement: Term Loan Lender*) of the Intercreditor Agreement in relation to (i) the Transaction Security granted by Propco; and (ii) the Security granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited, in respect of the Cleveley Property (the "**Cleveley Security**") and the floating charge granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited, each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the Term Loan Security shall rank at all times and for all purposes in priority to the ABL Security regardless of:

- (i) the date upon which the Term Loan Liabilities or the ABL Liabilities arose;
- (ii) the order of registration, recording, notice or execution of the Intercreditor Agreement, the Term Loan Security Documents, or the ABL Security Documents and;
- (iii) any fluctuations in the amount of the Term Loan Liability or any intermediate discharge of the Term Loan Liability; and;
- (iv) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.

4 Subject to the provisions on standstill and enforcement in clause 3.6 (*Permitted Enforcement: Term Loan Lender*) of the Intercreditor Agreement in relation to the Transaction Security granted by all Group Companies (other than the Security granted by Propco, the Cleveley Security and the floating charge granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited) each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security shall rank at all times and for all purposes in priority to the Term Loan Security regardless of:

- (i) the date upon which the ABL Liabilities or the Term Loan Liabilities arose;
- (ii) the order of registration, recording, notice or execution of the Intercreditor Agreement, the ABL Security Documents and Term Loan Security Documents;
- (iii) any fluctuations in the amount of the ABL Liability or any intermediate discharge of the ABL Liability; and
- (iii) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.

5 In relation to the Transaction Security granted by all Group Companies, (including in relation to Propco, B.R. and G.J. Twitchett Limited and the Cleveley Security, but without prejudice to the application of proceeds in clause 13 (*Application of Proceeds*) of the Intercreditor Agreement) the Pension Scheme Trustees agree with the ABL Lender and the Term Loan Lender that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security and the Term Loan Security (as ranked between themselves pursuant to clause 2.1(a), (b), (c) (d) and (e) of the Intercreditor Agreement) shall rank at all times and for all purposes in priority to the Pension Scheme Security regardless of:

- (i) the date upon which the ABL Liabilities, the Term Loan Liabilities or the Pension Scheme Liabilities arose;
- (ii) the order of registration, recording, notice or execution of the Intercreditor Agreement, the ABL Security Documents, the Term Loan Security Documents and the Pension Scheme Security Documents;
- (iii) any fluctuations in the amount of the ABL Liability, the Term Loan Liability, the Pension Scheme Liability or any intermediate discharge of the ABL Liability or the Term Loan Liability; and
- (iv) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances

- (v) the Pension Scheme Trustees confirm for the benefit of the Senior Creditors that the floating charges created by the Senior Security Documents have priority over the floating charges created by the Pension Scheme Security notwithstanding the date of creation of such floating charges; and
- (vi) without prejudice to the priority accorded to the floating charges created by the Senior Security Documents by clause 2.1(f)(v) of the Intercreditor Agreement and insofar as the floating charges created by the Pension Scheme Security Documents are prior floating charges within the meaning of paragraph 15 of schedule B1 to the Insolvency Act 1986, the Pension Scheme Trustees hereby confirm that they will promptly provide consent upon the receipt of any notice from the relevant Senior Creditor that the Senior Creditor may be obliged to give in accordance with that paragraph to the appointment of an Administrator by the relevant Senior Creditor.

For additional defined terms please see the Intercreditor Agreement / Instrument of Alteration.



FILE COPY

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

COMPANY NO. 232635

CHARGE NO. 1

**I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 12 MARCH 2021 WERE DELIVERED
PURSUANT TO SECTION 410 OF THE COMPANIES ACT 1985
ON 9 APRIL 2021**

**THE INSTRUMENT RELATES TO A CHARGE CREATED ON 14
FEBRUARY 2003**

BY M.E.G. RENEWABLES LIMITED

**IN FAVOUR OF
HSBC BANK PLC**

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 13 APRIL 2021



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Dated 12 March 2021

HUK 103 LIMITED
ABL Lender

HSBC UK BANK PLC
Term Loan Lender

THE INDIVIDUALS LISTED HEREIN AS ORIGINAL SUBORDINATED
CREDITORS

MACKAYS STORES GROUP LIMITED
Parent

M&CO TRADING LIMITED
Opco


MACKAYS STORES (HOLDINGS) LIMITED
Propco

THE COMPANIES LISTED HEREIN AS ORIGINAL DEBTORS

THE COMPANIES LISTED HEREIN AS INTRA-GROUP LENDERS

THE PENSION SCHEME TRUSTEES

We hereby certify that, save for material omissions
pursuant to s.859G of the Companies Act 2006
this is a true copy of the original

Signed:  NEIL CAMPBELL,
SOLICITOR

Date: 9 APRIL 2021

For and on behalf of Shepherd and Wedderburn LLP

"Certified as a true copy of
the original subject to the
exclusion of personal
information permitted by
Section 859G of the
Companies Act 2006"

23.3.21


Addleshaw Goddard LLP

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This Agreement is made on

12 March

2021

Between

- (1) HUK 103 Limited (ABL Lender);
- (2) HSBC UK Bank PLC (Term Loan Lender);
- (3) The Individuals listed in Schedule 1 as Subordinated Creditors (Original Subordinated Creditors)
- (4) Mackays Stores Group Limited (No. SC223864) (Parent);
- (5) M&Co Trading Limited (No. SC662082) (Opco);
- (6) Mackays Stores (Holdings) Limited (No. SC054092) (Propco);
- (7) The Companies listed in Schedule 2 (Original Debtors) (Original Debtors);
- (8) The Companies listed in Schedule 3 (Intra-Group Lenders) (Intra-Group Lenders); and
- (9) The Pension Scheme Trustees named on the signing pages as Pension Scheme Trustees.

It is agreed

1 Definitions and Interpretation

1.1 Definitions

In this Agreement:

ABL Acceleration Event means the ABL Lender exercising any of its rights under clause 23 (Events of Default) of the ABL Facilities Agreement

ABL Facilities Agreement means the facilities agreement made between the Parent, the ABL Lender and others dated on or about the date of this Agreement

ABL Discharge Date means the first date on which all ABL Liabilities have been fully and finally discharged to the satisfaction of the ABL Lender, whether or not as the result of an enforcement, and the ABL Lender is under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents

ABL Facility has the meaning given to the term **Facility** in the ABL Facilities Agreement

ABL Finance Documents has the meaning given to the term **Finance Documents** in the ABL Facilities Agreement

ABL Liabilities means the Liabilities owed by the Debtors to the ABL Lender under the ABL Finance Documents

ABL Obligor means an **Obligor** under and as defined in the ABL Facilities Agreement

ABL Security means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the ABL Security Documents

ABL Security Documents means the **Transaction Security Documents** under and as defined in the ABL Facilities Agreement

ABL Security Obligor means an **Obligor** under and as defined in the ABL Facilities Agreement, which has entered into the ABL Security

Acceleration Event means an ABL Acceleration Event or a Term Loan Acceleration Event

Administrator has the meaning given to it in Schedule B1 to the Insolvency Act 1986

Appropriation means the appropriation (or similar process) of the shares in the capital of a member of the Group by the Senior Creditors (or any Receiver, Administrator or Delegate) which is effected (to the extent permitted under the relevant Security Document and applicable law) by enforcement of the Transaction Security

Approved Panel means any Insolvency Practitioner on (i) the panel of the Term Loan Lender from time to time, or (ii) from BDO LLP or Grant Thornton UK LLP

Base Currency means Sterling

Borrowing Liabilities means, in relation to a member of the Group, the liabilities and obligations (not being Guarantee Liabilities) it may have as a principal debtor to a Creditor or a Debtor in respect of Financial Indebtedness arising under the Debt Documents (whether incurred solely or jointly and including, without limitation, liabilities and obligations as a borrower under the ABL Finance Documents, liabilities and obligations as a borrower under the Term Loan Finance Documents and liabilities and obligations as a borrower under the Subordinated Documents)

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Edinburgh

Cash Proceeds means:

- (a) proceeds of the Security Property which are in the form of cash; and
- (b) any cash which is generated by holding, managing, exploiting, collecting, realising or disposing of any proceeds of the Security Property which are in the form of Non-Cash Consideration

Charged Property means all of the assets which from time to time are, or are expressed to be, the subject of the Transaction Security

Cleveley Property means the property at 23 Victoria Road West, Thornton Cleveley, owned by B.R and G.J.Twitchett Limited

Common Assurance means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible, given to all the Senior Creditors in respect of their Liabilities

Common Senior Security means any Senior Security which to the extent legally possible:

- (a) is created in favour of the Senior Creditors in respect of their Liabilities; and
- (b) which ranks in the order of priority contemplated in clause 2.1 (**Transaction Security**)

Competitive Sales Process means

- (a) any auction or other competitive sales process; and
- (b) any enforcement of the Senior Security carried out by way of auction or other competitive sales process pursuant to requirements of applicable law

Consent means any consent, approval, release or waiver or agreement to any amendment

Creditor Accession Undertaking means:

- (a) an undertaking substantially in the form set out in Schedule 5 (Form of Creditor Accession Undertaking); or
- (b) in the case of an acceding Debtor which is expressed to accede as an Intra-Group Lender in the relevant Debtor Accession Deed, that Debtor Accession Deed

Creditors means the Senior Creditors, the Intra-Group Lenders, the Pension Scheme Trustees and the Subordinated Creditors

Debt Disposal means any disposal of any Liabilities or Debtors' Intra-Group Receivables pursuant to clauses 11.1(d) or (e) (Facilitation of Distressed Disposals and Appropriation)

Debt Document means each of this Agreement, the Senior Finance Documents, the Pension Scheme Documents, the Subordinated Documents, any agreement evidencing the terms of the Intra-Group Liabilities, the Propco Liabilities or the Subordinated Liabilities and any other document designated as such by the Senior Creditors and the Parent

Debtor means each Original Debtor and any person which becomes a Party as a Debtor in accordance with the terms of clause 14 (Changes to the Parties)

Debtor Accession Deed means:

- (a) a deed substantially in the form set out in Schedule 4 (Form of Debtor Accession Deed); or
- (b) (only in the case of a member of the Group which is acceding as a borrower or guarantor under a Senior Facilities Agreement) an accession document in the form required by that Senior Facilities Agreement (provided that it contains an accession to this Agreement which is substantially in the form set out in Schedule 4 (Form of Debtor Accession Deed))

Debtor Resignation Request means a notice substantially in the form set out in Schedule 6 (Form of Debtor Resignation Request)

Debtors' Intra-Group Receivables means, in relation to a member of the Group, any liabilities and obligations owed to any Debtor (whether actual or contingent and whether incurred solely or jointly) by that member of the Group

Debt Service Plan means a financial plan which details the financial capability of the Group to comply with its payment obligations in respect of all Financial Indebtedness

Default means an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Debt Documents or any combination of any of the foregoing) be an Event of Default

Default Rate is the rate calculated pursuant to clause 9.3 of the ABL Facilities Agreement (Default Interest)

Delegate means any delegate, agent, attorney or co-trustee appointed under the Transaction Security Documents

Distress Event means any of:

- (a) an Acceleration Event; or
- (b) the enforcement of any Transaction Security.

Distressed Disposal means a disposal of an asset of a member of the Group which is:

- (a) being effected at the request of the Senior Creditors in circumstances where the Senior Security has become enforceable;
- (b) being effected by enforcement of the Senior Security (including the disposal of any Property of a member of the Group, the shares in which have been subject to an Appropriation); or
- (c) being effected, after the occurrence of a Distress Event, by a Debtor to a person or persons which is, or are, not a member, or members, of the Group

Enforcement Action means:

- (a) in relation to any Liabilities:
 - (i) the acceleration of any Liabilities or the making of any declaration that any Liabilities are prematurely due and payable (other than as a result of it becoming unlawful for a Senior Creditor to perform its obligations under, or of any voluntary or mandatory prepayment arising under, the Debt Documents);
 - (ii) the making of any declaration that any Liabilities are payable on demand;
 - (iii) the making of a demand in relation to a Liability that is payable on demand (other than a demand made by an Intra-Group Lender in relation to any Intra-Group Liabilities which are on-demand Liabilities to the extent (A) that the demand is made in the ordinary course of dealings between the relevant Debtor and Intra-Group Lender and (B) that any resulting Payment would be a Permitted Intra-Group Payment);
 - (iv) the making of any demand against any member of the Group in relation to any Guarantee Liabilities of that member of the Group;
 - (v) the exercise of any right to require any member of the Group to acquire any Liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any Liability);
 - (vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Liabilities other than the exercise of any such right which is expressly permitted under a Debt Document to the extent that the exercise of that right gives effect to a Permitted Payment; and/or

- (vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any Liabilities;
- (b) the premature termination or close-out of any hedging transaction;
- (c) the taking of any steps to enforce or require the enforcement of any Transaction Security (including the crystallisation of any floating charge forming part of the Transaction Security);
- (d) the entering into of any composition, compromise, assignment or arrangement with any member of the Group which owes any Liabilities, or has given any Security, guarantee or indemnity or other assurance against loss in respect of the Liabilities (other than any action permitted under clause 14 (Changes to the Parties)); and/or
- (e) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, provisional liquidator, judicial factor, administrative receiver, receiver, Administrator or similar officer) in relation to, the winding up, dissolution, administration or reorganisation of any member of the Group which owes any Liabilities, or has given any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction,

except that the taking of any action falling within paragraphs (a) (vii) or (e) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Liabilities, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods shall not constitute Enforcement Action

Event of Default means an event or circumstance specified as an **Event of Default**, **Termination Event** or such term having a similar meaning in a Debt Document

Fairness Opinion means, in respect of a Distressed Disposal or a Liabilities Sale, an opinion that the proceeds received or recovered in connection with that Distressed Disposal or Liabilities Sale are fair from a financial point of view taking into account all relevant circumstances, including, without limitation, the method of enforcement or disposal

Finance Lease means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles (as such term is defined in the ABL Facilities Agreement), be treated as a balance sheet liability

Financial Adviser means (provided such firm or bank is on the panel of the Term Loan Lender from time to time) any:

- (a) independent investment bank;
- (b) independent accountancy firm; or
- (c) other independent professional services firm which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted;
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account)
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition or (ii) any liabilities of any member of the Group relating to any post-retirement benefit scheme;
- (h) any amount payable under any arrangement (including the issue of redeemable shares) whereby a third party is able to compel a member of the Group to redeem or purchase its share capital or other securities, provided that any redemption or purchase can be compelled to take place prior to the Senior Discharge Date;
- (i) any amount of any liability under an advance or deferred purchase agreement or if the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles (as such term is defined in the ABL Facilities Agreement); and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above

Group means the Parent and each of its Subsidiaries for the time being other than MRL (in administration on the date of this Agreement) and Group Company, or Group Companies, shall be construed accordingly

Guarantee Liabilities means, in relation to a member of the Group, the liabilities and obligations under the Debt Documents (present or future, actual or contingent and whether incurred solely or jointly) it may have to a Creditor or Debtor as or as a result of its being a guarantor or surety (including, without limitation, liabilities and obligations arising by way of guarantee, indemnity, contribution or subrogation and in particular any guarantee or indemnity arising under or in respect of the Senior Finance Documents, the Pension Scheme Documents and the Subordinated Documents)

Holding Company means, in relation to a person, any other person in respect of which it is a Subsidiary

Insolvency Event means, in relation to any member of the Group:

- (a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of that member of the Group, a moratorium is declared in relation to any indebtedness of that member of the Group or an Administrator is appointed to that member of the Group;
- (b) any composition, compromise, assignment or arrangement is made with any of its creditors;
- (c) the appointment of any liquidator, provisional liquidator, judicial factor receiver, administrative receiver, Administrator, compulsory manager or other similar officer in respect of that member of the Group or any of its assets; or
- (d) any analogous procedure or step is taken in any jurisdiction

Intra-Group Lenders means each member of the Group which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another member of the Group and which is listed in Schedule 3 (Intra-Group Lenders) or which becomes a Party as an Intra-Group Lender in accordance with the terms of clause 14 (Changes to the Parties)

Intra-Group Liabilities means the Liabilities owed by any member of the Group to any of the Intra-Group Lenders (other than the Propco Liabilities)

Insolvency Practitioner means a person who is appropriately authorised to act as an insolvency practitioner under section 390A, Insolvency Act 1986

Liabilities means all present and future liabilities and obligations at any time of any member of the Group to any Creditor under the Debt Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any Debtor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings

Liabilities Acquisition means, in relation to a person and to any Liabilities, a transaction where that person:

- (a) purchases by way of assignment or transfer;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

the rights in respect of those Liabilities

Liabilities Sale means a Debt Disposal pursuant to clause 11.1(e) (Facilitation of Distressed Disposals and Appropriation)

MRL means Meridian Realisations Limited, previously known as Mackay Stores Limited (Company No. SC036368)

Non-Cash Consideration means consideration in a form other than cash

Non-Cash Recoveries means:

- (a) any proceeds of a Distressed Disposal or a Debt Disposal; or
- (b) any amount distributed to the ABL Lender pursuant to clause 9.1 (Turnover by the Creditors),

which are, or is, in the form of Non-Cash Consideration

Occupational Leases means the lease arrangements entered into between (1) Opco and Propco; and (2) MSL and Propco; and (3) Opco and B.R. and G.J. Twitchett Limited, permitting Opco to occupy all properties owned by Propco and B.R. and G.J. Twitchett Limited, provided that the provisions of such leases shall not be amended or varied without the prior written consent of the ABL Lender

Other Liabilities means, in relation to a member of the Group, any trading and other liabilities and obligations (not being Borrowing Liabilities or Guarantee Liabilities) it may have to a Subordinated Creditor, Pension Scheme Trustee, Intra-Group Lender or Debtor

Party means a party to this Agreement

Payment means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or other liabilities or obligations)

Pension Scheme the Mackays Stores Limited Retirement Benefits Scheme which was established by a trust deed dated 10 February 1958 and is presently governed by a Definitive Deed and Rules dated 6, 7, 8 and 20 May and 11 June 2009, as amended from time to time

Pension Scheme Documents means the Pension Scheme Guarantee, the Pension Scheme Security Documents and any other documents evidencing the Pension Scheme Liabilities

Pension Scheme Guarantee means the guarantee granted by PropCo in favour of the Pension Scheme Trustees dated 4 August 2020

Pension Scheme Liabilities means the Liabilities owed by any member of the Group to the Pension Scheme at any time

Pension Scheme Security means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Pension Scheme Security Documents

Pension Scheme Security Documents means

- (a) the standard securities created on 7 August 2020 granted by PropCo in favour of the Pension Trustees in respect of the heritable or registered leasehold properties in Scotland over which the ABL Lender is taking equivalent or similar security on or around the date of this Agreement;
- (b) the standard securities on or about the date of this Agreement, granted by PropCo in favour of the Pension Trustees in respect of the heritable properties in Scotland over which the ABL Lender is taking equivalent or similar security on or around the date of this Agreement;
- (c) the standard securities to be granted by PropCo in favour of the Pension Trustees in respect of the heritable or registered leasehold properties over which the ABL Lender is to take equivalent or similar security following the date of this Agreement in accordance with the terms of the ABL Finance Documents;
- (d) the legal mortgage dated 4 August 2020 granted by PropCo in favour of the Pension Trustees in respect of the freehold or registered leasehold properties in England and Wales over which the ABL Lender is taking equivalent or similar security on or around the date of this Agreement;
- (e) the legal mortgage dated on or about the date of this Agreement, granted by PropCo in favour of the Pension Trustees in respect of the freehold properties in England and Wales over which the ABL Lender is taking equivalent or similar security on or around the date of this Agreement;
- (f) the legal mortgage to be granted by PropCo in favour of the Pension Trustees in respect of the freehold or registered leasehold properties in England and Wales over which the ABL Lender is to take equivalent or similar security following the date of this Agreement in accordance with the terms of the ABL Finance Documents;
- (g) the floating charge created on 4 August 2020 granted by PropCo in favour of the Pension Trustees; and
- (h) the floating charge created on 4 August 2020 granted by OpCo in favour of the Pension Trustees

Pension Scheme Trustees means Allan Christopher Martin of [REDACTED], [REDACTED], Matthew Richard McKimmie of [REDACTED], [REDACTED] Rebecca Hammond of [REDACTED] and 20-20 Trustee Services Limited, (Registered Number 01050578) whose registered office address is at 100 Wood Street, London, England, EC2V 7AN as trustees of the Pension Scheme and any other person or persons who is or are for from time to time a trustee of the Pension Scheme and becomes a Party pursuant to clause 14.7 (Creditor Accession Undertaking)

Permitted Intra-Group Payment means the Payments permitted by clause 4.2 (Permitted Payments: Intra-Group Liabilities)

Permitted Payment means a Permitted Intra-Group Payment, a Permitted Senior Facility Payment, a Permitted Pension Scheme Payment, a Permitted Subordinated Payment or a Permitted Propco Payment

Permitted Pension Scheme Payment means any payment by a Debtor to the Pension Scheme Trustees in the ordinary course of the operation of the Pension Scheme in accordance with its constitutional documents, scheme rules and applicable legislation from time to time, including, without limitation, under the Pension Scheme Guarantee and any agreement entered into from time to time relating to increased contributions, other than where there has been a Default, which is continuing, under the Senior Finance Documents

Permitted Propco Payment means the Payments permitted by clause 5.2 (Permitted Payments: Propco Liabilities)

Permitted Senior Facility Payment means the Payments permitted by clause 3.1 (Payment of ABL Liabilities)

Permitted Subordinated Payment means the Payments permitted by clause 6.2 (Permitted Payments: Subordinated Liabilities)

Post Completion Property Value means the value determined pursuant to clause 21.35 (c) of the ABL Facilities Agreement as a condition subsequent

Propco Liabilities means all Liabilities owed by Opco to Propco pursuant to the Occupational Leases

Property of a member of the Group or of a Debtor means:

- (a) any asset of that member of the Group or of that Debtor;
- (b) any Subsidiary of that member of the Group or of that Debtor; and
- (c) any asset of any such Subsidiary

Property Attributed Completion Value means, in respect of a Real Property, the value attributed to such property at completion as set in Schedule 7 (Property Attributed Completion Value) as substituted by the Post Completion Property Value

Receiver means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property

Recoveries has the meaning given to that term in clause 13.1 (Order of application)

Relevant Liabilities means:

- (a) in the case of a Creditor:
 - (i) the Liabilities owed to Creditors ranking (in accordance with the terms of this Agreement) *pari passu* with or in priority to that Creditor (as the case may be); and
 - (ii) all present and future liabilities and obligations, actual and contingent, of the Debtors to the Senior Creditors; and

- (b) in the case of a Debtor, the Liabilities owed to the Creditors together with all present and future liabilities and obligations, actual and contingent, of the Debtors to the Senior Creditors or Subordinated Creditors

Security means a mortgage, standard security, charge, provisional liquidator, judicial factor, assignation, assignation in security, pledge, hypothec, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Property means

- (a) the Transaction Security expressed to be granted in favour of the Senior Creditors and the Pension Scheme Trustees and all proceeds of that Transaction Security;
- (b) all obligations expressed to be undertaken by a Debtor to pay amounts in respect of the Liabilities to the Senior Creditors or the Pension Scheme Trustees (as the case may be) and secured by the Transaction Security together with all representations and warranties expressed to be given by a Debtor in favour of the Senior Creditors or the Pension Scheme Trustees (as the case may be);
- (c) the ABL Lender's interest in any trust fund created pursuant to clause 9 (Turnover of Receipts); and
- (d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Senior Creditors are required by the terms of the Debt Documents to hold as trustee for any of the other Senior Creditors

Senior Creditors means the ABL Lender and the Term Loan Lender

Senior Discharge Date means the later of the ABL Discharge Date and the Term Loan Discharge Date

Senior Facility mean the ABL Facility and the Term Loan Facility

Senior Facilities Agreements means the ABL Facilities Agreement and the Term Loan Facilities Agreement

Senior Finance Documents means the ABL Finance Documents and the Term Loan Finance Documents

Senior Liabilities means the Liabilities owed by the Debtors to the Senior Creditors under the ABL Finance Documents and the Term Loan Finance Documents

Senior Obligor means an ABL Obligor or a Term Loan Obligor

Senior Security means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Senior Security Documents

Senior Security Obligor means an ABL Security Obligor or a Term Loan Security Obligor

Senior Security Documents means the ABL Security Documents and the Term Loan Security Documents

Spot Rate of Exchange means the ABL Lender's spot rate of exchange for the purchase of the relevant currency with the Base Currency in the London foreign exchange market at or about 11.00am on a particular day

Subordinated Creditors means the Original Subordinated Creditors and each person that becomes a Party as a Subordinated Creditor pursuant to clause 14.7 (Creditor Accession Undertaking)

¹Subordinated Documents means:-

- (a) the loan agreement between Andrew McGeoch and Opco dated 4 August 2020;
- (b) the loan agreement between Neil McGeoch and Opco dated 4 August 2020; and
- (c) the loan agreement between Olga Jane McGeoch and Opco dated 4 August 2020

Subordinated Liabilities means all Liabilities owed to the Subordinated Creditors by any Debtor under the Subordinated Documents

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

Term Loan Acceleration Event means the Term Loan Lender exercising any of its rights under clause 23 (Default) of the Term Loan Facilities Agreement

Term Loan Ancillary Facilities means the BACs and credit card facilities made available under the terms of the Ancillary Facility Agreement (as defined in the Term Loan Facilities Agreement)

Term Loan Facilities Agreement means the facilities agreement made between the Parent, the Term Loan Lender and others dated 4 August 2020 as amended and restated on or around the date of this Agreement

Term Loan Discharge Date means the first date on which all Term Loan Liabilities have been fully and finally discharged to the satisfaction of the Term Loan Lender, whether or not as the result of an enforcement, and the Term Loan Lender is under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents

Term Loan Event of Default has the meaning given to the term **Event of Default** in the Term Loan Facilities Agreement

Term Loan Facility has the meaning given to the term **Facility** in the Term Loan Facilities Agreement

Term Loan Facility A has the meaning given to the term **Tranche 1** in the Term Loan Facilities Agreement

Term Loan Facility B has the meaning given to the term **Tranche 2** in the Term Loan Facilities Agreement

Term Loan Finance Documents has the meaning given to the term **Finance Documents** in the Term Loan Facilities Agreement and including the Term Loan Ancillary Facilities

Term Loan Liabilities means the Liabilities including all Liabilities under the Term Loan Ancillary Facilities owed by the Debtors to the Term Loan Lender under the Term Loan Finance Documents

Term Loan Obligor means an Obligor under and as defined in the Term Loan Facilities Agreement and the Term Loan Ancillary Facilities

Term Loan Security means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Term Loan Security Documents, or previously granted in favour of the Term Loan Lender

Term Loan Security Documents means the Security Documents under and as defined in the Term Loan Facilities Agreement

Term Loan Security Obligor means a Security Obligor under and as defined in the Term Loan Facilities Agreement

Transaction Security means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Transaction Security Documents

Transaction Security Documents means:

- (a) each of the Senior Security Documents;
- (b) each of the Pension Scheme Security Documents,
- (c) any other document entered into at any time by any of the Debtors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Senior Creditors as security for any of the Senior Liabilities;
- (d) any other document entered into at any time by any of the Debtors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Subordinated Creditors or the Pension Scheme Trustees as security for any of the Subordinated Liabilities or Pension Scheme Liabilities respectively; and
- (e) any Security granted under any covenant for further assurance in any of the documents referred to in paragraphs (b) to (d) above

Treasury Transactions means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price

VAT means:

- (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Agreement to:

- (i) any **Creditor, Debtor, Intra-Group Lender, Parent, Party, Senior Creditor, ABL Lender, Term Loan Lender; Senior Obligor, Senior Security Obligor,, Subordinated Creditor, Pension Scheme Trustee or Propco** shall be construed to be a reference to it in its capacity as such and not in any other capacity;
- (ii) any **Creditor, Debtor, Intra-Group Lender, Parent, Party, Senior Creditor, ABL Lender, Term Loan Lender; Senior Obligor, Senior Security Obligor, Subordinated Creditor, Pension Scheme Trustee or Propco** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Debt Documents
- (iii) an **amount** includes an amount of cash and an amount of Non-Cash Consideration;
- (iv) **assets** includes present and future properties, revenues and rights of every description;
- (v) **assignment** in relation to any right governed by Scots law means assignation and re-assignment and shall be interpreted accordingly;
- (vi) a **Debt Document** or any other agreement or instrument is (other than a reference to a **Debt Document** or any other agreement or instrument in **original form**) a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated as permitted by this Agreement,
- (vii) a **distribution** of or out of the assets of a member of the Group, includes a distribution of cash and a distribution of Non-Cash Consideration;
- (viii) **enforcing** (or any derivation) the Transaction Security includes the appointment of an Administrator (or any analogous officer in any jurisdiction) of a Debtor by the Senior Creditors;
- (ix) a **group of Creditors** includes all the Creditors and a **group of Senior Creditors** includes all the Senior Creditors;
- (x) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (xi) the **original form** of a **Debt Document** or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into;
- (xii) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (xiii) **proceeds** of a Distressed Disposal or of a Debt Disposal includes proceeds in cash and in Non-Cash Consideration;

- (xiv) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
- (xv) a provision of law is a reference to that provision as amended or re-enacted.
- (xvi) where in connection with any legal jurisdiction outside England and Wales, a word or phrase in this Agreement has no precise counterpart, then this Agreement shall be interpreted as if that word or phrase referred to the closest equivalent in the jurisdiction concerned.
- (b) Section, Clause and Schedule headings are for ease of reference only.
- (c) A Default (other than an Event of Default) is **continuing** if it has not been remedied or waived in writing and an Event of Default is **continuing** if it has not been waived in writing, or remedied to the satisfaction of the Senior Creditors. Any waiver given by the Senior Creditors shall only apply to the specific occurrence of the specific event referred to in such waiver.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (**Third Parties Act**) to enforce or to enjoy the benefit of any term of this Agreement.
- (b) Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.
- (c) Any Receiver, Administrator, Delegate may, subject to this clause 1.3 and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

2 Ranking and priority

2.1 Transaction Security

- (a) Each of the Term Loan Lender, the ABL Lender and the Pension Scheme Trustees consent to the creation or subsistence of the Transaction Security and where relevant the subsequent registration of it at HM Land Registry and/or Registers of Scotland.
- (b) Subject to the provisions on standstill and enforcement in clause 3.6 (Permitted Enforcement: Term Loan Lender) in relation to the Transaction Security granted by Opco
 - (i) each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security shall rank at all times and for all purposes in priority to the Term Loan Security regardless of:
 - (ii) the date upon which the ABL Liabilities and the Term Loan Liabilities arose;
 - (iii) the order of registration, recording, notice or execution of this Agreement, the ABL Security Documents and the Term Loan Security Documents;

- (iv) any fluctuations in the amount of the ABL Liability or any intermediate discharge of the ABL Liability; and
 - (v) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.
- (c) For the purposes of the Insolvency Act 1986 (as amended by the Enterprise Act 2002):
 - (i) the Term Loan Lender confirms for the benefit of the ABL Lender that the floating charges created by the ABL Security Documents have priority over the floating charges created by the Term Loan Security Documents over all Group Companies (other than the floating charges granted by Propco and B.R. and G.J. Twitchett Limited in favour of the Term Loan Lender) notwithstanding the date of creation of such floating charges; and
 - (ii) without prejudice to the priority accorded to the floating charges created by the ABL Security Documents by clause (i) above and insofar as the floating charges created by the Term Loan Security Documents are prior floating charges within the meaning of paragraph 15 of schedule B1 to the Insolvency Act 1986, the Term Loan Lender hereby confirms that it will promptly provide consent upon the receipt of any notice from the ABL Lender that the ABL Lender may be obliged to give in accordance with that paragraph to the appointment of an Administrator by the ABL Lender;
- (d) Subject to the provisions on standstill and enforcement in clause 3.6 (Permitted Enforcement: Term Loan Lender) in relation to (i) the Transaction Security granted by Propco; and (ii) the Security granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited, in respect of the Cleveley Property (Cleveley Security) and the floating charge granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited, each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the Term Loan Security shall rank at all times and for all purposes in priority to the ABL Security regardless of:
 - (i) the date upon which the Term Loan Liabilities or the ABL Liabilities arose;
 - (ii) the order of registration, recording, notice or execution of this Agreement, the Term Loan Security Documents, or the ABL Security Documents and;
 - (iii) any fluctuations in the amount of the Term Loan Liability or any intermediate discharge of the Term Loan Liability; and;
 - (iv) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances
- (e) Subject to the provisions on standstill and enforcement in clause 3.6 (Permitted Enforcement: Term Loan Lender) in relation to the Transaction Security granted by all Group Companies (other than the Security granted by Propco, the Cleveley Security and the floating charge granted in favour of the Term Loan Lender by B.R. and G.J. Twitchett Limited) each of the Parties agrees that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security shall rank at all times and for all purposes in priority to the Term Loan Security regardless of:

- (i) the date upon which the ABL Liabilities or the Term Loan Liabilities arose;
 - (ii) the order of registration, recording, notice or execution of this Agreement, the ABL Security Documents and Term Loan Security Documents;
 - (iii) any fluctuations in the amount of the ABL Liability or any intermediate discharge of the ABL Liability; and
 - (iv) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.
- (f) In relation to the Transaction Security granted by all Group Companies, (including in relation to Propco, B.R. and G.J. Twitchett Limited and the Cleveley Security, but without prejudice to the application of proceeds in clause 13 (Application of Proceeds)) the Pension Scheme Trustees agree with the ABL Lender and the Term Loan Lender that for all purposes concerning their respective priorities as security over the assets of any member of the Group, the ABL Security and the Term Loan Security (as ranked between themselves pursuant to clause 2.1(a), (b), (c) (d) and (e) above) shall rank at all times and for all purposes in priority to the Pension Scheme Security regardless of:
- (i) the date upon which the ABL Liabilities, the Term Loan Liabilities or the Pension Scheme Liabilities arose;
 - (ii) the order of registration, recording, notice or execution of this Agreement, the ABL Security Documents, the Term Loan Security Documents and the Pension Scheme Security Documents;
 - (iii) any fluctuations in the amount of the ABL Liability, the Term Loan Liability, the Pension Scheme Liability or any intermediate discharge of the ABL Liability or the Term Loan Liability; and
 - (iv) any amendment or variation to any of the Debt Documents, or any variation or satisfaction of, any of the Liabilities or any other circumstances.
 - (v) the Pension Scheme Trustees confirm for the benefit of the Senior Creditors that the floating charges created by the Senior Security Documents have priority over the floating charges created by the Pension Scheme Security notwithstanding the date of creation of such floating charges; and
 - (vi) without prejudice to the priority accorded to the floating charges created by the Senior Security Documents by clause 2.1(f)(v) above and insofar as the floating charges created by the Pension Scheme Security Documents are prior floating charges within the meaning of paragraph 15 of schedule B1 to the Insolvency Act 1986, the Pension Scheme Trustees hereby confirm that they will promptly provide consent upon the receipt of any notice from the relevant Senior Creditor that the Senior Creditor may be obliged to give in accordance with that paragraph to the appointment of an Administrator by the relevant Senior Creditor.

2.2 Subordinated, Intra-Group and Propco Liabilities

- (a) Each of the Parties agrees that the Subordinated Liabilities, the Intra-Group Liabilities and the Propco Liabilities are postponed and subordinated to the Liabilities owed by the Debtors to the Senior Creditors.
- (b) This Agreement does not purport to rank any of the Subordinated Liabilities, the Intra-Group Liabilities or the Propco Liabilities as between themselves.

2.3 Scottish Ranking Agreement

- (a) Insofar as necessary to give effect to this Agreement, this Agreement shall constitute an instrument of alteration for the purposes of s.466 of the Companies Act 1985.
- (b) Each of the Parties to this Agreement agree to enter into a separate ranking agreement in connection with the grant of any Security over any heritable property situated in Scotland, recording the same priority arrangements as set out in this Agreement.

3 Senior Creditors and Senior Liabilities

3.1 Payment of ABL Liabilities

The Debtors may make Payments of the ABL Liabilities at any time in accordance with the ABL Finance Documents

3.2 Permitted Enforcement ABL Lender

The ABL Lender may take Enforcement Action which would be available to it in respect of any of the ABL Liabilities, if at the same time as, or prior to, that action it has consulted with the Term Loan Lender in relation to the method and timing of enforcement for a period of not less than 5 Business days, unless; the ABL Lender has reasonable grounds for believing that any delay in Enforcement would be detrimental to the Charged Property; and/or it reasonably suspects that a fraud has been committed by the Debtors in which case it may take immediate action.

3.3 Permitted Payments: Term Loan Liabilities

The Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Term Loan Liabilities at any time unless:

- (a) that Payment is permitted under 3.4 (Permitted Payments: Term Loan Liabilities); or
- (b) the taking or receipt of that Payment is permitted under clause 3.6(c) (Permitted Enforcement: Term Loan Lender).

3.4 Permitted Payments: Term Loan Liabilities

- (a) The Debtors may make Payments in respect of the Term Loan Liabilities of principal and scheduled interest in relation to Term Loan Facility A and of scheduled principal and interest in relation to Term Loan Facility B from time to time when due.
- (b) If

- (i) the Debtors propose to make Payments in respect of all monies due in relation to the Term Loan Facility from the proceeds of disposal of real Property owned by Propco; and
- (ii) the gross sale proceeds received or to be received in respect of such disposal (**Proposed Sale Price**) are less than the Property Attributed Completion Value of the relevant Property, then
 - (A) if either of the Senior Creditors reasonably believe that the attainable disposal value for such Property is in excess of the Proposed Sale Price, such Senior Creditor shall be entitled to obtain (at the reasonably and properly incurred cost of the Debtors) an independent valuation of the real Property (**Independent Valuation**) and in circumstances where such Independent Valuation is in excess of the Proposed Sale Price the relevant Debtor shall only be permitted to dispose of the Property following delivery of a Debt Service Plan which is satisfactory to the Senior Creditors; and
 - (B) only in circumstances where neither Senior Creditor has obtained an Independent Valuation in terms of clause 3.4(b)(ii)(A) the Pension Scheme Trustees may, if they reasonably believe that the attainable disposal value for such Property is in excess of the Proposed Sale Price, obtain an Independent Valuation and in circumstances where such Independent Valuation is in excess of the Proposed Sale Price the relevant Debtor shall only be permitted to dispose of the Property for the a value equal to or greater than the Independent Valuation amount or following delivery of a Debt Service Plan which is satisfactory to the Senior Creditors and to the Pension Scheme Trustees

3.5 **Restriction on enforcement: Term Loan Lender**

Subject to clause 3.6 (Permitted Enforcement: Term Loan Lender), the Term Loan Lender shall not be entitled to take any Enforcement Action in respect of any of the Term Loan Liabilities at any time prior to the ABL Discharge Date.

3.6 **Permitted Enforcement: Term Loan Lender**

- (a) The Term Loan Lender may take Enforcement Action which would be available to it but for clause 3.7 (Restriction on Enforcement against Debtors: Term Loan Lender) in respect of any of the Term Loan Liabilities if at the same time as, or prior to, that action and subject to clause 3.7 (Restriction on Enforcement against Debtors: Term Loan Lender):
 - (i) the Term Loan Lender has given notice (**Term Loan Enforcement Notice**) to the ABL Lender specifying that a Term Loan Event of Default has occurred and is continuing; and
 - (ii) a period (**Term Loan Lender Standstill Period**) of not less than 90 days, has elapsed from the date on which the Term Loan Enforcement Notice becomes effective in accordance with clause 18.3 (Delivery); and
 - (iii) that Term Loan Event of Default is continuing at the end of that Term Loan Standstill Period; and

(iv) if such Enforcement Action is in relation to an Insolvency Event of Propco, or B.R. and G.J. Twitchett Limited the Term Loan Lender shall have the final decision in relation to the choice of Insolvency Practitioner, provided only that:-

- (A) it consults with the ABL Lender prior to such appointment in relation to the scoping, fee, manner and timing of enforcement irrespective of potential recovery positions;
- (B) the Insolvency Practitioner is appointed from the Approved Panel and the Term Loan Lender shall, prior to appointment of such Insolvency Practitioner obtain indicative pricing for the Insolvency Practitioner's fees, from three (3) Insolvency Practitioners, two of which may be from any firm on the Approved Panel with the exception of EY, KPMG, PWC or Deloitte and the third which may be from any firm on the Approved Panel;
- (C) it undertakes to the ABL Lender to:-
 - 1) keep it involved at all times in all correspondence or instructions to the Administrator including, without limitation, providing copies of all material correspondence to the ABL Lender;
 - 2) ensure that the ABL Lender is included as addressee and joint instructing party on any engagement letter with the Administrator (but without prejudice to the Term Loan Lender's discretion in relation to the ultimate choice of Administrator)
 - 3) take all other actions reasonably requested by the ABL Lender in order to protect the ABL Lender's position following the Term Loan Lender Discharge Date.

For the avoidance of doubt the choice of Administrator in respect of Opco or any Group Company other than Propco, or B.R. and G.J. Twitchett Limited shall be at the discretion of the ABL Lender until the ABL Discharge Date.; or

(v) the ABL Lender has given its prior consent.

Provided that:-

- (A) the requirements in clauses (i) to (v) inclusive above shall only apply in relation to Propco, and B.R. and G.J. Twitchett Limited; (a) for so long as the ongoing payments and liabilities are met in relation to any asset which is the subject of such Enforcement Action during the Term Loan Standstill Period; (b) Opco remains in occupation of the relevant properties during such period pursuant to the Occupational Leases and (c) for so long as no other creditor of Propco or of B.R. and G.J. Twitchett Limited appoints an Insolvency Practitioner over Propco or B.R. and G.J. Twitchett Limited during the Term Loan Standstill Period, provided that regardless of any of such conditions,

the Term Loan Standstill Period shall continue to apply to Opco and all other Group Companies; and

- (B) the Term Loan Lender may market the properties owned by Propco for sale during the Term Loan Lender Standstill Period, provided further that there is no termination of the Occupational Leases during such period and such marketing activities do not adversely affect the quiet enjoyment of such Occupational Leases by the relevant Debtor.
- (b) After the occurrence of an Insolvency Event in relation to any member of the Group, the Term Loan Lender may (unless otherwise directed by the ABL Lender) or unless the ABL Lender has given notice that it has or intends to take, action on behalf of that Term Loan Lender in accordance with clause 8.4 (Filing of claims)) exercise any right they may otherwise have against that member of the Group to:
 - (i) accelerate any of that member of the Group's Term Loan Liabilities or declare them prematurely due and payable or payable on demand;
 - (ii) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Term Loan Liabilities;
 - (iii) exercise any right of set-off or take or receive any Payment in respect of any Term Loan Liabilities of that member of the Group; or
 - (iv) claim and prove in any insolvency process of that member of the Group for the Term Loan Liabilities owing to it and vote on any plan, scheme, proposed compromise of debt in respect of same.

3.7 Restriction on Enforcement against Debtors: Term Loan Lender

- (a) Subject to clause 3.7(b) below, if the ABL Lender (or any Receiver Administrator or Delegate appointed under any of the ABL Security Documents) has given notice to the Term Loan Lender that the ABL Security over shares in a Debtor or any Holding Company of a Debtor is being enforced (or that any formal steps are being taken to enforce that ABL Security) by the sale or Appropriation of shares which are subject to that ABL Security, the Term Loan Lenders may not take Enforcement Action against that Debtor or against any Property of that Debtor in respect of any of the Term Loan Liabilities until the earlier of:
 - (i) the date which is 90 days after the date on which the ABL Lender (or that Receiver, Administrator or Delegate) gave that notice; and
 - (ii) the ABL Lender (or that Receiver, Administrator, or Delegate) notifying the Term Loan Lender (which it shall do promptly) that such action is no longer being taken.
- (b) Clause 3.7(a) above shall not apply to action taken pursuant to clause 3.6(a) (Permitted Enforcement: Term Loan Lender).

3.8 Option to purchase: ABL Lender

The ABL Lender may at any time when a Term Loan Default is outstanding, by giving not less than ten days' notice to the Term Loan Lender, require the transfer to them (or to a nominee

or nominees), in accordance with clause 14.4 (Change of Senior Creditor), of all, but not part, of the rights and obligations in respect of the Term Loan Liabilities if:

- (a) that transfer is lawful and subject to clause 3.8(c)(ii) below, otherwise permitted by the terms of the Term Loan Facilities Agreement;
- (b) any conditions relating to such a transfer contained in the Term Loan Facilities Agreement are complied with, other than any requirement to obtain the consent of, or consult with, any Debtor or other member of the Group relating to such transfer, which consent or consultation shall not be required (and each Debtor hereby acknowledges such consent is not required);
- (c) the Term Loan Lender, is paid an amount equal to the aggregate of:
 - (i) all of the Term Loan Facility Liabilities at that time (whether or not due), including all amounts that would have been payable under the Term Loan Facilities Agreement if the Term Loan Facilities were being prepaid by the relevant Debtors on the date of that payment; and
 - (ii) all costs and expenses (including legal fees) incurred by the Term Loan Lender as a consequence of giving effect to that transfer;
- (d) as a result of that transfer the Term Loan Lenders have no further actual or contingent liability to any Debtor under the Term Loan Finance Documents; and
- (e) the transfer is made without recourse to, or representation or warranty from, the Term Loan Lender, except that the Term Loan Lender shall be deemed to have represented and warranted on the date of that transfer that:
 - (i) it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer;
 - (ii) It has the full right to transfer its Term Loan Facility Liabilities; and
 - (iii) that the amount to be paid in respect of such Term Loan Facility Liabilities is at least equal to the outstanding amount of such Term Loan Facility Liabilities.

3.9 Amendments and Waivers: Senior Creditors

The Senior Creditors may amend or waive the terms of the Senior Finance Documents in accordance with their terms (and subject to any consent required under them) at any time, other than any amendment or waiver which has the effect of extending the term of the Senior Facilities, or increases the Senior Lender Liabilities, save that for any amendments in relation to the Margin (as defined in the relevant Senior Finance Documents not exceeding 2% the consent of the relevant Senior Creditor to such amendment shall not be unreasonably withheld or delayed.

3.10 Security: Senior Creditors

The Senior Creditors may take, accept or receive the benefit of any Security in respect of the Senior Liabilities from any member of the Group in addition to the Common Senior Security which to the extent legally possible is, at the same time, also offered to the other Senior Creditors in respect of their Liabilities and ranks in the same order of priority as that contemplated in clause 2.1 (Transaction Security); and

- (a) any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Senior Liabilities in addition to those in:
 - (i) the original form of Senior Facilities Agreements;
 - (ii) this Agreement; or
 - (iii) any Common Assurance,
 if and to the extent legally possible, at the same time it is also offered to the other Senior Creditors in respect of their Liabilities and ranks in the same order of priority as that contemplated in clause 2 (Ranking and priority).

4 Intra-Group Lenders and Intra-Group Liabilities

4.1 Restriction on Payment: Intra-Group Liabilities

Prior to the Senior Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Intra-Group Liabilities at any time unless:

- (a) that Payment is permitted under clause 4.2 (Permitted Payments: Intra-Group Liabilities); or
- (b) the taking or receipt of that Payment is permitted under clause 4.7(c) (Permitted Enforcement: Intra-Group Lenders).

4.2 Permitted Payments: Intra-Group Liabilities

- (a) Subject to clause 4.2(b) below, the Debtors may make Payments in respect of the Intra-Group Liabilities (whether of principal, interest or otherwise) from time to time when due.
- (b) Payments in respect of the Intra-Group Liabilities may not be made pursuant to clause 4.2(a) above if, at the time of the Payment, an Event of Default has occurred and is continuing or would occur under any of the Debt Documents unless the Senior Creditors consent to that Payment being made.

4.3 Payment obligations continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of clauses 4.1 (Restriction on Payment: Intra-Group Liabilities) and 4.2 (Permitted Payments: Intra-Group Liabilities) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

4.4 Acquisition of Intra-Group Liabilities

- (a) Subject to clause 4.4(b) below, each Debtor may, and may permit any other member of the Group to:
 - (i) enter into any Liabilities Acquisition; or
 - (ii) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any Intra-Group Liabilities at any time

- (b) Subject to clause 4.4(c) below, no action described in clause 4.4(a) above may take place in respect of any Intra-Group Liabilities if:
 - (i) that action would result in a breach of a Senior Facilities Agreement; or
 - (ii) at the time of that action, an Event of Default has occurred and is continuing or would occur under any of the Debt Documents.
- (c) The restrictions in clause 4.4(b) above shall not apply if the Senior Creditors consent to that action.

4.5 Security: Intra-Group Lenders

Prior to the Senior Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities unless:

- (a) that Security, guarantee, indemnity or other assurance against loss is expressly permitted by the Senior Facilities Agreements; or
- (b) the prior consent of the Senior Creditors is obtained.

4.6 Restriction on enforcement: Intra-Group Lenders

Subject to clause 4.7 (Permitted Enforcement: Intra-Group Lenders), none of the Intra-Group Lenders shall be entitled to take any Enforcement Action in respect of any of the Intra-Group Liabilities at any time prior to the Senior Discharge Date.

4.7 Permitted Enforcement: Intra-Group Lenders

After the occurrence of an Insolvency Event in relation to any member of the Group, each Intra-Group Lender may (unless otherwise directed by the Senior Creditors or unless the Senior Creditors have taken, or have given notice that it intends to take, action on behalf of that Intra-Group Lender in accordance with clause 8.4 (Filing of claims), exercise any right it may otherwise have against that member of the Group to:

- (a) accelerate any of that member of the Group's Intra-Group Liabilities or declare them prematurely due and payable or payable on demand;
- (b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Intra-Group Liabilities;
- (c) exercise any right of set-off or take or receive any Payment in respect of any Intra-Group Liabilities of that member of the Group; or
- (d) claim and prove in the liquidation of that member of the Group for the Intra-Group Liabilities owing to it.

4.8 Representations: Intra-Group Lenders

Each Intra-Group Lender which is not a Debtor represents and warrants to the Senior Creditors that:

- (a) it is a corporation, duly incorporated or formed and validly existing under the laws of its jurisdiction of incorporation or formation;
- (b) the obligations expressed to be assumed by it in this Agreement are, subject to any general principles of law limiting its obligations which are applicable to creditors generally, legal, valid, binding and enforceable obligations; and
- (c) the entry into and performance by it of this Agreement does not and will not:
 - (i) conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets; or
 - (ii) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.

4.9 Intra-Group Liabilities

The Intra-Group Lenders each irrevocably and unconditionally agree that all and any documents or instruments pursuant to which the Intra-Group Liabilities are constituted shall each be amended on the date of this Agreement such that any reference therein to the term "Intercreditor Agreement" shall, with effect from the date of this Agreement, mean this Agreement. The Senior Creditors consent to the amendments to such documents effected by this clause 4.9.

5 Propco and Propco liabilities

5.1 Restriction on Payment: Propco Liabilities

Prior to the ABL Discharge Date, without prejudice to the terms of the clause 3.3 (Permitted Payments: Term Loan Liabilities) neither the Parent nor any other Debtor shall, and the Parent shall procure that no other member of the Group will, make any Payment of the Propco Liabilities at any time unless:

- (a) that Payment is permitted under clause 5.2 (Permitted Payments: Propco Liabilities); or
- (b) the taking or receipt of that Payment is permitted under clause 5.8 (Permitted Enforcement: Propco).

5.2 Permitted Payments: Propco Liabilities

Opco may make the following Payments in respect of the Propco Liabilities:

- (a) rental Payments due and owing pursuant to Occupational Leases;
- (b) any Payment in respect of which the prior written consent of the ABL Lender is obtained.

5.3 Payment obligations continue

Neither the Opco nor any other Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of clauses 5.1 (Restriction on Payment: Propco Liabilities) and 5.2

(Permitted Payments: Propco Liabilities) even if its obligation to make that Payment is restricted at any time by the terms of any of those clauses.

5.4 No acquisition of Propco Liabilities

Prior to the Senior Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will:

- (a) enter into any Liabilities Acquisition; or
- (b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Propco Liabilities, unless the prior consent of the Senior Creditors is obtained.

5.5 Amendments and Waivers: Propco Liabilities

Prior to the Senior Discharge Date, Propco may not amend or waive the terms of any agreement evidencing the terms of the Propco Liabilities unless:

- (a) the amendment or waiver is of a minor and administrative nature and is not prejudicial to the Senior Creditors (in the sole opinion of the Senior Creditors); or
- (b) the prior consent of the Senior Creditors is obtained.

5.6 Security: Propco Liabilities

Prior to the Senior Discharge Date, no member of the Group may take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Propco Liabilities.

5.7 Restriction on Enforcement: Propco

Subject to clause 5.8 (Permitted Enforcement: Propco) Propco shall not be entitled to take any Enforcement Action in respect of any of the Propco Liabilities at any time prior to the Senior Discharge Date.

5.8 Permitted Enforcement: Propco

After the occurrence of an Insolvency Event in relation to any member of the Group, Propco may (unless otherwise directed by the Senior Creditors or unless either Senior Creditor has taken, or has given notice that it intends to take, action on behalf of Propco in accordance with clause 8.4 (Filing of claims)), exercise any right it may otherwise have against that member of the Group to:

- (a) accelerate any of that member of the Group's Propco Liabilities or declare them prematurely due and payable or payable on demand;
- (b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Propco Liabilities;
- (c) exercise any right of set-off or take or receive any Payment in respect of any Propco Liabilities of that member of the Group; or

- (d) claim and prove in the liquidation of that member of the Group for the Propco Liabilities owing to it.

5.9 Representations: Propco

Propco represents and warrants to the Senior Creditors that:

- (a) it is a corporation, duly incorporated or formed and validly existing under the laws of its jurisdiction of incorporation or formation;
- (b) the obligations expressed to be assumed by it in this Agreement are, subject to any general principles of law limiting its obligations which are applicable to creditors generally, legal, valid, binding and enforceable obligations; and
- (c) the entry into and performance by it of this Agreement does not and will not:
 - (i) conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets; or
 - (ii) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.

6 Subordinated Creditors and Subordinated Liabilities

6.1 Restriction on Payment: Subordinated Liabilities

- (a) Prior to the Senior Discharge Date, no Debtor shall, and the Parent shall procure that no other member of the Group will, make any Payment of the Subordinated Liabilities at any time unless that Payment is permitted under clause 6.2 (Permitted Payments: Subordinated Liabilities); or
- (b) the taking or receipt of that Payment is permitted under clause 6.8 (Permitted Enforcement: Subordinated Creditors).

6.2 Permitted Payments: Subordinated Liabilities

Opco may make Payments in respect of the Subordinated Liabilities:

- (a) provided that:
 - (i) it is a Permitted Payment (as such term is defined in the ABL Facilities Agreement) under the ABL Facilities Agreement; and
 - (ii) there has been no breach of financial covenant under the Term Loan Facilities Agreement and none is forecast as a result of the making of such Payment for the twelve-month period following the making of such Payment; and
 - (iii) up to £5,000,000 (in aggregate) of the Term Loan Facility A has been repaid; and
 - (iv) there is no other Default under the Senior Finance Documents

6.3 Payment obligations continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of clauses 6.1 (Restriction on Payment: Subordinated Liabilities) and 6.2 (Permitted Payments: Subordinated Liabilities) even if its obligation to make that Payment is restricted at any time by the terms of any of those clauses.

6.4 No acquisition of Subordinated Liabilities

Prior to the Senior Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will:

- (a) enter into any Liabilities Acquisition; or
- (b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Subordinated Liabilities, unless the prior consent of the Senior Creditors is obtained.

6.5 Amendments and Walvers: Subordinated Creditors

Prior to the Senior Discharge Date, the Subordinated Creditors may not amend, waive or agree the terms of any of the documents or instruments pursuant to which the Subordinated Liabilities are constituted unless:

- (a) the prior consent of the Senior Creditors is obtained; or
- (b) that amendment, waiver or agreement is of a minor and administrative nature and is not prejudicial to the Senior Creditors, in the opinion of the Senior Creditors.

6.6 Security: Subordinated Creditors

The Subordinated Creditors may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Group in respect of any of the Subordinated Liabilities prior to the Senior Discharge Date unless the prior consent of the Senior Creditors is obtained.

6.7 Restriction on Enforcement: Subordinated Creditors

Subject to clause 6.8 (Permitted Enforcement: Subordinated Creditors), no Subordinated Creditor shall be entitled to take any Enforcement Action in respect of any of the Subordinated Liabilities at any time prior to the Senior Discharge Date.

6.8 Permitted Enforcement: Subordinated Creditors

After the occurrence of an Insolvency Event in relation to any member of the Group, each Subordinated Creditor may, unless otherwise directed by the ABL Lender (or following the ABL Discharge Date, the Term Loan Lender) or unless the ABL Lender (or following the ABL Discharge Date the Term Loan Lender) has taken, or has given notice that it intends to take, action on behalf of that Subordinated Creditor in accordance with clause 8.4 (Filing of claims)) exercise any right it may otherwise have in respect of that member of the Group to:

- (a) accelerate any of that member of the Group's Subordinated Liabilities or declare them prematurely due and payable or payable on demand;
- (b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Subordinated Liabilities;
- (c) exercise any right of set-off or take or receive any Payment in respect of any Subordinated Liabilities of that member of the Group; or
- (d) claim and prove in the liquidation of that member of the Group for the Subordinated Liabilities owing to it.

6.9 Representations: Subordinated Creditors

- (a) Each Subordinated Creditor represents and warrants to the Senior Creditors that:
 - (i) the obligations expressed to be assumed by it in this Agreement are, subject to any general principles of law limiting its obligations which are applicable to creditors generally, legal, valid, binding and enforceable obligations; and
 - (ii) the entry into and performance by it of this Agreement does not and will not:
 - (A) conflict with any law or regulation applicable to it or any agreement or instrument binding upon it or any of its assets; or
 - (B) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.

6.10 Subordinated Creditor Liabilities

The Subordinated Creditors each irrevocably and unconditionally agree that the Subordinated Documents shall each be amended on the date of this Agreement such that any reference therein to the term "Intercreditor Agreement" shall, with effect from the date of this Agreement, mean this Agreement. The Senior Creditors consent to the amendments to the Subordinated Documents effected by this clause 6.10.

7 Pension Scheme

7.1 Restriction on Payment: Pension Scheme Liabilities

Prior to the Senior Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Pension Scheme Liabilities at any time unless:

- (a) that Payment is permitted under clause 7.2 (Permitted Payments: Pension Scheme Liabilities); or
- (b) the taking or receipt of that Payment is permitted under clause 7.7(c) (Permitted Enforcement: Pension Scheme Trustees).

7.2 Permitted Payments: Pension Scheme Liabilities

- (a) Subject to clause 7.2(b) below, the Debtors may make the Permitted Pension Scheme Payments in respect of the Pension Scheme Liabilities) from time to time when due.

- (b) Payments in respect of the Pension Scheme Liabilities may not be made pursuant to clause 7.2(a) above if, at the time of the Payment, a Default has occurred and is continuing or would occur under any of the Debt Documents unless the Senior Creditors consent to that Payment being made.

7.3 Payment obligations continue

No Debtor shall be released from the liability to make any Payment (which shall continue to accrue) under any Debt Document by the operation of clauses 7.1 (Restriction on Payment: Pension Scheme Liabilities) and 7.2 (Permitted Payments: Pension Scheme Liabilities) even if its obligation to make that Payment is restricted at any time by the terms of any of those clauses.

7.4 Acquisition of Pension Group Liabilities

No Debtor may, and may permit any other member of the Group to:

- (a) enter into any Liabilities Acquisition; or
- (b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any Pension Scheme Liabilities at any time.

7.5 Security: Pension Scheme

Prior to the Senior Discharge Date, the Pension Scheme Trustees may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any Debtor in respect of the Pension Scheme Liabilities other than the Pension Scheme Security Documents and the Pension Scheme Guarantee, unless the prior consent of the Senior Creditors is obtained.

7.6 Restriction on enforcement: Pension Scheme Trustees

Subject to clause 7.7 (Permitted Enforcement: Pension Scheme Trustees), none of the Pension Scheme Trustees shall be entitled to take any Enforcement Action in respect of any of the Pension Scheme Liabilities at any time prior to the Senior Discharge Date.

7.7 Permitted Enforcement: Pension Scheme Trustees

After the occurrence of an Insolvency Event in relation to any member of the Group, the Pension Scheme Trustees may (unless otherwise directed by the Senior Creditors or unless the Senior Creditors have taken, or have given notice that it intends to take, action on behalf of the Pension Scheme in accordance with clause 8.4 (Filing of claims)), exercise any right it may otherwise have against that member of the Group to:

- (a) accelerate any of that member of the Group's Pension Scheme Liabilities or declare them prematurely due and payable or payable on demand;
- (b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Pension Scheme Liabilities;
- (c) exercise any right of set-off or take or receive any Payment in respect of any Pension Scheme Liabilities of that member of the Group; or

- (d) claim and prove in the liquidation of that member of the Group for the Pension Scheme Liabilities owing to it.

7.8 Representations: Pension Scheme Trustees

Each Pension Scheme Trustee represents and warrants to the Senior Creditors without any personal liability that:

- (a) If it is a corporation, it is a corporation, duly incorporated or formed and validly existing under the laws of its jurisdiction of incorporation or formation;
- (b) the obligations expressed to be assumed by it in this Agreement are, subject to any general principles of law limiting its obligations which are applicable to creditors generally, legal, valid, binding and enforceable obligations; and
- (c) the entry into and performance by it of this Agreement does not and will not:
 - (i) conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets; or
 - (ii) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.
- (d) it has not been disqualified (for whatever reason) from acting as a Pension Scheme Trustee.

8 Effect of Insolvency Event

8.1 Distributions

- (a) After the occurrence of an Insolvency Event in relation to any member of the Group, any Party entitled to receive a distribution out of the assets of that member of the Group in respect of Liabilities owed to that Party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to make that distribution to the ABL Lender (or to such other person as the ABL Lender shall direct) in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited until the Liabilities owing to the Senior Creditors have been paid in full.
- (b) The ABL Lender and the Term Loan Lender (as the case may be) shall apply distributions made to it under clause 8.1(a) above in accordance with clause 13 (Application of Proceeds).

8.2 Set-Off

To the extent that any member of the Group's Liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor which benefited from that set-off shall pay an amount equal to the amount of the Liabilities owed to it which are discharged by that set-off to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation

to Propco and B.R. and G.J. Twitchett Limited for application in accordance with clause 13 (Application of Proceeds).

8.3 Non-cash distributions

If the Senior Creditors receive a distribution in the form of Non-Cash Consideration in respect of any of the Liabilities (other than any distribution of Non-Cash Recoveries), the Liabilities will not be reduced by that distribution until and except to the extent that the realisation proceeds are actually applied towards the Liabilities.

8.4 Filing of claims

After the occurrence of an Insolvency Event in relation to any member of the Group, each Creditor irrevocably authorises the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited, on its behalf, to:

- (a) take any Enforcement Action subject, always to the restrictions on enforcement in clause 3.7 (Restriction on Enforcement against Debtors: Term Loan Lender) (in accordance with the terms of this Agreement and/or the Senior Finance Documents) against that member of the Group;
- (b) demand, sue, prove, claim and give receipt for any or all of that member of the Group's Liabilities;
- (c) collect and receive all distributions on, or on account of, any or all of that member of the Group's Liabilities; and
- (d) file claims, take proceedings and do all other things the ABL Lender considers reasonably necessary to recover that member of the Group's Liabilities.

8.5 Further assurance – Insolvency Event

Each Creditor will:

- (a) do all things that the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited requests in order to give effect to this clause 8; and
- (b) if the relevant Senior Creditor is not entitled to take any of the actions contemplated by this clause 8 (Effect of Insolvency Event) or if the relevant Senior Creditor requests that a Creditor take that action, undertake that action itself in accordance with the instructions of the relevant Senior Creditor or grant a power of attorney to the relevant Senior Creditor (on such terms as the relevant Senior Creditor may reasonably require) to enable the relevant Senior Creditor to take such action.

9 Turnover of Receipts

9.1 Turnover by the Creditors

Subject to clause 9.2 (Permitted assurance and receipts), if at any time prior to the Senior Discharge Date, any Creditor receives or recovers:

- (a) any Payment or distribution of, or on account of or in relation to, any of the Liabilities which is neither:
 - (i) a Permitted Payment; nor
 - (ii) made in accordance with clause 13 (Application of Proceeds);
- (b) other than where clause 8.2 (Set-Off) applies, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a Permitted Payment;
- (c) notwithstanding clauses 9.1(a) and (b) above, and other than where clause 8.2 (Set-Off) applies, any amount:
 - (i) on account of, or in relation to, any of the Liabilities:
 - (A) after the occurrence of a Distress Event; or
 - (B) as a result of any other litigation or proceedings against a member of the Group (other than after the occurrence of an Insolvency Event in respect of that member of the Group); or
 - (ii) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event,other than, in each case, any amount received or recovered in accordance with clause 13 (Application of Proceeds);
- (d) the proceeds of any enforcement of any Transaction Security except in accordance with Clause 13 (Application of Proceeds); or
- (e) other than where clause 8.2 (Set-Off) applies, any distribution or Payment of, or on account of or in relation to, any of the Liabilities owed by any member of the Group which is not in accordance with Clause 13 (Application of Proceeds) and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of the Group,

that Creditor will:

- (i) in relation to receipts and recoveries not received or recovered by way of set-off:
 - (A) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and for the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited and

promptly pay or distribute that amount to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited for application in accordance with the terms of this Agreement; and

(B) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited for application in accordance with the terms of this Agreement; and

(ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited for application in accordance with the terms of this Agreement.

9.2 Permitted assurance and receipts

Nothing in this Agreement shall restrict the ability of any Senior Creditor or Subordinated Creditor or the Pension Scheme Trustees to:

- (a) arrange with any person which is not a member of the Group any assurance against loss in respect of, or reduction of its credit exposure to, a Debtor (including assurance by way of credit based derivative or sub-participation); or
- (b) make any assignment or transfer permitted by clause 14 (Changes to the Parties),

which:

- (i) is permitted by the Senior Facilities Agreements; and
- (ii) is not in breach of clause 6.4 (No acquisition of Subordinated Liabilities),

and that Senior Creditor, Subordinated Creditor or the Pension Scheme Trustees, shall not be obliged to account to any other Party for any sum received by it as a result of that action.

9.3 Amounts received by Debtors

If any of the Debtors receives or recovers any amount which, under the terms of any of the Debt Documents, should have been paid to the relevant Senior Creditor, that Debtor will:

- (a) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for the ABL Lender (and following the ABL

Date, the Term Loan Lender) and promptly pay that amount to the ABL Lender for application in accordance with the terms of this Agreement; and

- (b) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited for application in accordance with the terms of this Agreement.

9.4 **Saving provision**

If, for any reason, any of the trusts expressed to be created in this clause 9 (Turnover of Receipts) should fail or be unenforceable, the affected Creditor or Debtor will promptly pay or distribute an amount equal to that receipt or recovery to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited to be held on trust by the Term Loan Lender for application in accordance with the terms of this Agreement.

10 **Redistribution**

10.1 **Recovering Creditor's rights**

- (a) Any amount paid or distributed by a Creditor (**Recovering Creditor**) to the relevant Senior Creditor under clause 8 (Effect of Insolvency Event) or clause 9 (Turnover of Receipts) shall be treated as having been paid or distributed by the relevant Debtor and shall be applied by the relevant Senior Creditor in accordance with clause 13 (Application of Proceeds).
- (b) On an application by the relevant Senior Creditor pursuant to Clause 13 (Application of Proceeds) of a Payment or distribution received by a Recovering Creditor from a Debtor, as between the relevant Debtor and the Recovering Creditor an amount equal to the amount received or recovered by the Recovering Creditor and paid or distributed to the by the Recovering Creditor (**Shared Amount**) will be treated as not having been paid or distributed by that Debtor.

10.2 **Reversal of redistribution**

- (a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable or returnable to a Debtor and is repaid or returned by that Recovering Creditor to that Debtor, then:
 - (i) each Party that received any part of that Shared Amount pursuant to an application by the relevant Senior Creditor of that Shared Amount under clause 10.1 (Recovering Creditor's rights) (**Sharing Party**) shall, upon request of the relevant Senior Creditor pay or distribute to the relevant Senior Creditor for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (**Redistributed Amount**); and

- (ii) as between the relevant Debtor and each relevant Sharing Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid or distributed by that Debtor.
- (b) The relevant Senior Creditor shall not be obliged to pay or distribute any Redistributed Amount to a Recovering Creditor under clause 10.2(a)(i) above until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Party.

10.3 Deferral of subrogation

No Creditor or Debtor will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor which ranks ahead of it in accordance with the priorities set out in clause 2 (Ranking and priority) until such time as all of the Liabilities owing to each prior ranking Creditor (or, in the case of any Debtor, owing to each Creditor) have been irrevocably discharged in full.

11 Distressed Disposals and Appropriation

11.1 Facilitation of Distressed Disposals and Appropriation

If a Distressed Disposal or an Appropriation is being effected, the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and (subject to the restrictions on Enforcement of the Term Loan Lender in clause 3.7 (Restriction on Enforcement against Debtors: Term Loan Lender)) the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited is irrevocably authorised (at the cost of the Parent and without any consent, sanction, authority or further confirmation from any Creditor or Debtor):

- (a) **release of Transaction Security/non-crystallisation certificates:** to release the Transaction Security or any other claim over the asset subject to the Distressed Disposal or Appropriation and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the, relevant Senior Creditor be considered necessary or desirable;
- (b) **release of liabilities and Transaction Security on a share sale/Appropriation (Debtor):** if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor, to release:
 - (i) that Debtor and any Subsidiary of that Debtor from all or any part of:
 - (A) its Borrowing Liabilities;
 - (B) its Guarantee Liabilities; and
 - (C) its Other Liabilities;
 - (ii) any Transaction Security granted by that Debtor or any Subsidiary of that Debtor over any of its assets; and

- (iii) any other claim of a Subordinated Creditor, an Intra-Group Lender, or another Debtor over that Debtor's assets or over the assets of any Subsidiary of that Debtor,

on behalf of the relevant Creditors and Debtors;

- (c) **release of liabilities and Transaction Security on a share sale/Appropriation (Holding Company):** if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of any Holding Company of a Debtor, to release:

- (i) that Holding Company and any Subsidiary of that Holding Company from all or any part of:

- (A) its Borrowing Liabilities;

- (B) its Guarantee Liabilities; and

- (C) its Other Liabilities;

- (ii) any Transaction Security granted by any Subsidiary of that Holding Company over any of its assets; and

- (iii) any other claim of a Subordinated Creditor, an Intra-Group Lender or another Debtor over the assets of any Subsidiary of that Holding Company,

on behalf of the relevant Creditors and Debtors;

- (d) **facilitative disposal of liabilities on a share sale/Appropriation:** if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Senior Creditor decides to dispose of all or any part of:

- (i) the Liabilities (other than the Pension Scheme Liabilities); or

- (ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables (Transferee) will not be treated as a Senior Creditor for the purposes of this Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Creditors and Debtors provided that notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Senior Creditor for the purposes of this Agreement;

- (e) **sale of liabilities on a share sale/Appropriation:** if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Senior Creditor decides to dispose of all or any part of:

- (i) the Liabilities (other than the Pension Scheme Liabilities); or

- (ii) the Debtors' Intra-Group Receivables,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables will be treated as a Senior Creditor for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of:

- (A) all (and not part only) of the Liabilities owed to the Senior Creditors;
and
- (B) all or part of any other Liabilities and the Debtors' Intra-Group Receivables,

on behalf of, in each case, the relevant Creditors and Debtors;

- (f) ***transfer of obligations in respect of liabilities on a share sale/Appropriation:*** if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor (**Disposed Entity**) and the Senior Creditor decides to transfer to another Debtor (**Receiving Entity**) all or any part of the Disposed Entity's obligations or any obligations of any Subsidiary of that Disposed Entity in respect of:

- (i) the Intra-Group Liabilities; or
- (ii) the Debtors' Intra-Group Receivables,

to execute and deliver or enter into any agreement to:

- (iii) agree to the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Intra-Group Lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and
- (iv) to accept the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables are to be transferred.

11.2 Form of consideration for Distressed Disposals and Debt Disposals

A Distressed Disposal or a Debt Disposal may be made in whole or in part for consideration in the form of cash or, if not for cash, for Non-Cash Consideration which is acceptable to the Senior Creditors.

11.3 Proceeds of Distressed Disposals and Debt Disposals

The net proceeds of each Distressed Disposal and each Debt Disposal shall be paid, or distributed, to the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited for application in accordance with clause 13 (Application of Proceeds) and, to the extent that:

- (a) any Liabilities Sale has occurred; or

- (b) any Appropriation has occurred,

as if that Liabilities Sale, or any reduction in the Senior Liabilities resulting from that Appropriation, had not occurred.

11.4 Fair value

- (a) In the case of:

- (i) a Distressed Disposal or;
- (ii) a Liabilities Sale,

effected by, or at the request of, a Senior Creditor, the relevant Senior Creditor shall take reasonable care to obtain a fair market price having regard to the prevailing market conditions. Provided that in the case of Propco and B.R. and G.J. Twitchett Limited, if the Term Loan Lender proposes to dispose of the real property owned by such Debtors for less than the Property Attributed Completion Value, (**Proposed Sale Price**) it shall not do so unless/until it has informed the ABL Lender and (in circumstances where the ABL Lender believes that the attainable disposal value for such property is in excess of the Proposed Sale Price) the ABL Lender has obtained (at the reasonably and properly incurred cost of the Debtors) an independent valuation of the real property (**Independent Valuation**) and in circumstances where such Independent Valuation is in excess of the Proposed Sale Price, the Senior Creditors have consulted with one another for a period of no less than 10 Business Days, to determine the appropriate sale price, provided that following such consultation, if the Senior Creditors are unable to agree on the appropriate sale price, the Term Loan Lender may dispose of the relevant real Property at the original Proposed Sale Price, but otherwise the Senior Creditors shall have no obligation to postpone (or request the postponement of) any Distressed Disposal or Liabilities Sale in order to achieve a higher price).

- (b) The requirement in clause 11.4(a) above shall be satisfied (and as between the Creditors and the Debtors shall be conclusively presumed to be satisfied) and the relevant Senior Creditor will be taken to have discharged all its obligations in this respect under this Agreement, the other Debt Documents and generally at law if:

- (i) that Distressed Disposal or Liabilities Sale is made pursuant to any process or proceedings approved or supervised by or on behalf of any court of law;
- (ii) that Distressed Disposal or Liabilities Sale is made by, at the direction of or under the control of, a liquidator, receiver, administrative receiver, Administrator, compulsory manager or other similar officer (or any analogous officer in any jurisdiction) appointed in respect of a member of the Group or the assets of a member of the Group;
- (iii) that Distressed Disposal or Liabilities Sale is made pursuant to a Competitive Sales Process; or
- (iv) a Financial Adviser appointed by the Senior Creditors pursuant to clause 11.5 (Appointment of Financial Adviser) has delivered a Fairness Opinion to the Senior Creditors in respect of that Distressed Disposal or Liabilities Sale;

11.5 Appointment of Financial Adviser

- (a) The Senior Creditors may engage, or approve the engagement of, (in each case on such terms as it may consider appropriate (including, without limitation, restrictions on that Financial Adviser's liability and the extent to which any advice, valuation or opinion may be relied on or disclosed)), pay for and rely on the services of a Financial Adviser to provide advice, a valuation or an opinion in connection with:
 - (i) a Distressed Disposal or a Debt Disposal;
 - (ii) the application or distribution of any proceeds of a Distressed Disposal or a Debt Disposal; or
 - (iii) any amount of Non-Cash Consideration which is subject to clause 9.1 (Turnover by the Creditors).
- (b) For the purposes of clause 11.5(a) above, the Senior Creditors shall consult for a period of 10 Business Days.

12 Further Assurance – Disposals and Releases

- (a) Each Subordinated Creditor, Pensions Trustee and Debtor will:
 - (i) do all things that the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited, (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited requests in order to give effect to clause 11 (Distressed Disposals and Appropriation) (which shall include, without limitation, the execution of any assignments, transfers, releases or other documents that the ABL Lender in relation to Opco and all other Group Companies except Propco and B.R. and G.J. Twitchett Limited, (and following the ABL Discharge Date, the Term Loan Lender) and to the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited, may consider to be necessary to give effect to the releases or disposals contemplated by those clauses); and
 - (ii) if the relevant Senior Creditor as determined by clause 12(a)(i) (is not entitled to take any of the actions contemplated by those clauses or if the relevant Senior Creditor requests that any Subordinated Creditor, Pension Trustee or Debtor take any such action, take that action itself in accordance with the instructions of the Senior Creditors

provided that the proceeds of those disposals are applied in accordance with clause 11 (Distressed Disposals and Appropriation) as the case may be.

- (b) Each Subordinated Creditor, Pension Trustee, Intra-Group Lender and Debtor by way of security for its obligations under this Agreement irrevocably appoints severally the relevant Senior Creditor to be its attorney to do anything which that Subordinated Creditor, Pension Trustee, Intra-Group Lender or Debtor has authorised the relevant Senior Creditor or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the relevant Senior Creditor) may delegate that power on such terms as it sees fit).

13 Application of Proceeds

13.1 Order of application

Subject to clause 13.2 (Prospective liabilities), all amounts from time to time received or recovered by the ABL Lender in relation to Opco and all other Group Companies (and following the ABL Discharge Date, the Term Loan Lender) and by the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited pursuant to the terms of any Debt Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this clause 13, the **Recoveries**) shall be held by the ABL Lender in relation to Opco and all other Group Companies (and following the ABL Discharge Date, the Term Loan Lender) and by the Term Loan Lender (and following the Term Loan Discharge Date, the ABL Lender) in relation to Propco and B.R. and G.J. Twitchett Limited on trust to apply them at any time as the relevant Senior Creditor (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause 13), in the following order of priority:

- (a) realisations from all assets of Opco
 - (i) Firstly in discharging all costs and expenses incurred by the ABL Lender (and, after the ABL Discharge Date, the Term Loan Lender) in connection with any realisation or enforcement of the Transaction Security, taken in accordance with the terms of this Agreement
 - (ii) **Secondly** payment or distribution to the ABL Lender for application towards the discharge of the ABL Liabilities (in accordance with the terms of the ABL Finance Documents); and
 - (iii) **Thirdly** payment or distribution to the Term Loan Lender for application towards the discharge of the Term Loan Liabilities (in accordance with the terms of the Term Loan Finance Documents); and
 - (iv) **Fourthly** payment or distribution to the Pension Trustees for application towards the discharge of the Pension Liabilities; and
 - (v) **Fifthly** in payment or distribution to the Subordinated Creditors towards the discharge of the Subordinated Liabilities.
- (b) realisations from all assets of Propco
 - (i) **Firstly** in discharging all costs and expenses incurred by the Term Loan Lender (provided, prior to the ABL Discharge Date, the Term Loan Lender has consulted with the ABL Lender in relation to such costs and expenses) and the ABL Lender (up to the amount of £50,000) in connection with any realisation or enforcement of the Transaction Security, taken in accordance with the terms of this Agreement,
 - (ii) **Secondly** payment or distribution to the Term Loan Lender for application towards the discharge of the Term Loan Liabilities (in accordance with the terms of the Term Loan Finance Documents); and
 - (iii) **Thirdly** payment or distribution to the ABL Lender for application towards the discharge of the ABL Liabilities (in accordance with the terms of the ABL Finance Documents) up to the sum of £7,500,000; and

- (iv) **Fourthly** in payment or distribution to be split 75% to the ABL Lender for application towards the discharge of the ABL Liabilities (in accordance with the terms of the ABL Finance Documents) and 25% in payment or distribution to the Pension Trustees for application towards the discharge of the Pension Liabilities
 - (v) **Fifthly** in payment or distribution to the Pension Trustees for application towards the discharge of the Pension Liabilities
 - (vi) **Sixthly** in payment or distribution to the Subordinated Creditors towards the discharge of the Subordinated Liabilities.
- (c) realisations from the assets of all other Group companies except realisations from the Cleveley Property
 - (i) Firstly in discharging all costs and expenses incurred by the ABL Lender (and, after the ABL Discharge Date, the Term Loan Lender) in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement
 - (ii) **Secondly** payment or distribution to the ABL Lender for application towards the discharge of the ABL Liabilities (in accordance with the terms of the ABL Finance Documents); and
 - (iii) **Thirdly** payment or distribution to the Term Loan Lender for application towards the discharge of the Term Loan Liabilities (in accordance with the terms of the Term Loan Finance Documents); and
 - (iv) **Fourthly** in payment or distribution to the Subordinated Creditors towards the discharge of the Subordinated Liabilities.
- (d) realisations from the Cleveley Property
 - (i) **Firstly** in discharging all costs and expenses incurred by the Term Loan Lender (provided, prior to the ABL Discharge Date, the Term Loan Lender has consulted with the ABL Lender in relation to such costs and expenses) and the ABL Lender, in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement,
 - (ii) **Secondly** payment or distribution to the Term Loan Lender for application towards the discharge of the Term Loan Liabilities (in accordance with the terms of the Term Loan Finance Documents); and
 - (iii) **Thirdly** payment or distribution to the ABL Lender for application towards the discharge of the ABL Liabilities (in accordance with the terms of the ABL Finance Documents); and
 - (iv) **Fourthly** in payment or distribution to the Pension Trustees for application towards the discharge of the Pension Liabilities
 - (v) **Fifthly** in payment or distribution to the Subordinated Creditors towards the discharge of the Subordinated Liabilities

13.2 Prospective liabilities

Following a Distress Event the relevant Senior Creditor may, in its discretion:

- (a) hold any amount of the Recoveries which is in the form of cash, and any cash which is generated by holding, managing, exploiting, collecting, realising or disposing of any Non-Cash Consideration, in one or more interest bearing suspense or impersonal accounts, in the name of the relevant Senior Creditor, with such financial institution (including itself) as the relevant Senior Creditor shall think fit (the interest being credited to the relevant account); and
- (b) hold, manage, exploit, collect and realise any amount of the Recoveries which is in the form of Non-Cash Consideration,

in each case for so long as the relevant Senior Creditor shall think fit for later application under clause 13.1 (Order of application) in respect of:

- (i) any sum to any Senior Creditor, any Receiver, any Administrator, or any Delegate; and
- (ii) any part of the Liabilities,

that the relevant Senior Creditor reasonably considers, in each case, might become due or owing at any time in the future.

13.3 Investment of Cash Proceeds

Prior to the application of the proceeds of the Security Property in accordance with clause 13.1 (Order of application) the relevant Senior Creditor may, in its discretion, hold all or part of any Cash Proceeds in one or more interest bearing suspense or impersonal accounts in the name of the relevant Senior Creditor with such financial institution (including itself) and for so long as the relevant Senior Creditor shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the relevant Senior Creditor's, discretion in accordance with the provisions of this clause 13.

13.4 Currency conversion

- (a) For the purpose of, or pending the discharge of, any of the Senior Liabilities the relevant Senior Creditor may:
 - (i) convert any moneys received or recovered by the relevant Senior Creditor (including, without limitation, any Cash Proceeds) from one currency to another, at the Spot Rate of Exchange; and
 - (ii) notionally convert the valuation provided in any opinion or valuation from one currency to another, at the Spot Rate of Exchange.
- (b) The obligations of any Debtor to pay in the due currency shall only be satisfied:
 - (i) in the case of clause 13.4(a)(i) above, to the extent of the amount of the due currency purchased after deducting the costs of conversion; and
 - (ii) in the case of clause 13.4(a)(ii) above, to the extent of the amount of the due currency which results from the notional conversion referred to in that clause

13.5 Permitted Deductions

The Senior Creditors shall be entitled, in their discretion, (a) to set aside by way of reserve amounts required to meet and (b) to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any law or regulation to make from any distribution or payment made by it under this Agreement, and to pay all Taxes which may be assessed against it in respect of any of the Charged Property.

14 Changes to the Parties

14.1 Assignments and transfers

No Party may:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of any Debt Documents or the Liabilities except as permitted by this clause 14, provided that it is acknowledged that the obligations and rights of the Pension Scheme Trustees will be the obligations and rights of the trustees from time to time of the Pension Scheme.

14.2 No change of Propco

Propco may not:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the Propco Liabilities until after the ABL Discharge Date other than as envisaged by clause 5.4 (No acquisition of Propco Liabilities).

14.3 Change of Subordinated Creditor

Subject to clause 6.4 (No acquisition of Subordinated Liabilities), a Subordinated Creditor may:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the Subordinated Liabilities owed to it if any assignee or transferee has (if not already party to this Agreement as a Subordinated Creditor) acceded to this Agreement, as a Subordinated Creditor, pursuant to clause 14.7 (Creditor Accession Undertaking).

14.4 Change of Senior Creditor

A Senior Creditor may transfer by novation any of its rights and obligations, in respect of any Debt Documents or the Liabilities if:

- (a) that transfer is in accordance with the terms of the relevant Senior Facility Agreement; and

- (b) any transferee has (if not already a Party as a Senior Creditor) acceded to this Agreement, as a Senior Creditor, pursuant to clause 14.7 (Creditor Accession Undertaking).

14.5 Change of Intra-Group Lender

Subject to clause 4.4 (Acquisition of Intra-Group Liabilities) and to the terms of the other Debt Documents, any Intra-Group Lender may:

- (a) assign any of its rights; or
- (b) transfer any of its rights and obligations,

in respect of the Intra-Group Liabilities to another member of the Group if that member of the Group has (if not already a Party as an Intra-Group Lender) acceded to this Agreement as an Intra-Group Lender, pursuant to clause 14.7 (Creditor Accession Undertaking).

14.6 New Intra-Group Lender

If any Intra-Group Lender or any member of the Group makes any loan to or grants any credit to or makes any other financial arrangement having similar effect with any Debtor, in an aggregate amount of £50,000 or more, the Parent will procure that the person giving that loan, granting that credit or making that other financial arrangement (if not already a Party as an Intra-Group Lender) accedes to this Agreement as an Intra-Group Lender, pursuant to clause 14.7 (Creditor Accession Undertaking).

14.7 Creditor Accession Undertaking

With effect from the date of acceptance by the Senior Creditors, of a Creditor Accession Undertaking duly executed and delivered to the Senior Creditors by the relevant acceding party or, if later, the date specified in that Creditor Accession Undertaking:

- (a) any Party ceasing entirely to be a Creditor shall be discharged from further obligations towards the Senior Creditors and other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date); and
- (b) as from that date, the replacement or new Creditor shall assume the same obligations and become entitled to the same rights, as if it had been an original Party in the capacity specified in the Creditor Accession Undertaking.

14.8 New Debtor

- (a) If any member of the Group:
 - (i) incurs any Liabilities; or
 - (ii) gives any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities

the Debtors will procure that the person incurring those Liabilities or giving that assurance accedes to this Agreement as a Debtor, in accordance with clause 14.8(b) below, no later than contemporaneously with the incurrance of those Liabilities or the giving of that assurance.

- (b) With effect from the date of acceptance by the Senior Creditors of a Debtor Accession Deed duly executed and delivered to the Senior Creditors by the new Debtor or, if later, the date specified in the Debtor Accession Deed, the new Debtor shall assume the same obligations and become entitled to the same rights as if it had been an original Party as a Debtor.

14.9 Additional parties

Each of the Parties appoints the Senior Creditors to receive on its behalf each Debtor Accession Deed and Creditor Accession Undertaking delivered to the Senior Creditors and the Senior Creditors shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the relevant Senior Facilities Agreement.

14.10 Resignation of a Debtor

- (a) The Parent may request that a Debtor ceases to be a Debtor by delivering to the Senior Creditors a Debtor Resignation Request.
- (b) The Senior Creditors shall accept a Debtor Resignation Request and notify the Parent and each other Party of its acceptance if:
 - (i) the Parent has confirmed that no Default is continuing or would result from the acceptance of the Debtor Resignation Request;
 - (ii) the Debtor is not, or has ceased to be, a Senior Obligor or a Senior Security Obligor; and
 - (iii) the Parent confirms that that Debtor is under no actual or contingent obligations in respect of the Intra-Group Liabilities, the Pension Scheme Liabilities, the Subordinated Liabilities and the Propco Liabilities.
- (c) Upon notification by the Senior Creditors to the Parent of its acceptance of the resignation of a Debtor, that member of the Group shall cease to be a Debtor and shall have no further rights or obligations under this Agreement as a Debtor.

14.11 Resignation of the Pension Scheme Trustees

- (a) The Pension Scheme Trustees may resign from this Agreement and shall have no further rights or obligations under this Agreement as a Creditor, provided that:-
 - (i) they serve notice of such resignation on the Parties; and
 - (ii) they discharge all of the Pension Scheme Security and undertake that they will not take any further/additional Security, from any member of the Group prior to the Senior Discharge Date.

15 Costs and Expenses

15.1 Transaction expenses

The Parent shall, promptly on demand, pay the Senior Creditors the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the

Senior Creditors and by any Receiver, Administrator, or Delegate in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this Agreement and any other documents referred to in this Agreement and the Senior Security Documents; and
- (b) any other Debt Documents executed after the date of this Agreement.

15.2 Amendment costs

If a Debtor requests an amendment, waiver or consent, the Parent shall, within three Business Days of demand, reimburse the Senior Creditors for the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the Senior Creditors (and by any Receiver, Administrator, or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

15.3 Enforcement and preservation costs

The Parent shall, within three Business Days of demand, pay to the Senior Creditors the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document and the Senior Security and any proceedings instituted by or against the Senior Creditors as a consequence of taking or holding the Senior Security or enforcing these rights.

15.4 Stamp taxes

The Parent shall pay and, within three Business Days of demand, indemnify the Senior Creditors against any cost, loss or liability the Senior Creditor incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document.

15.5 Interest on demand

If any Creditor or Debtor fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount (and be compounded with it) from the due date up to the date of actual payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on that sum) at the Default Rate.

16 Other Indemnities

16.1 Indemnity to the Senior Creditors

- (a) Each Debtor jointly and severally shall promptly indemnify the Senior Creditors and every Receiver, Administrator and Delegate against any cost, loss or liability (together with any applicable VAT) incurred by any of them as a result of:
 - (i) any failure by the Parent to comply with its obligations under clause 15 (Costs and Expenses);
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (iii) the taking, holding, protection or enforcement of the Senior Security;

- (iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Senior Creditors, each Receiver, each Administrator and each Delegate by the Debt Documents or by law;
 - (v) any default by any Debtor in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;
 - (vi) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; or
- (b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this clause 16.1 will not be prejudiced by any release or disposal under clause 11 (Distressed Disposals and Appropriation) taking into account the operation of that clause 11.

16.2 Parent's indemnity to Senior Creditors

The Parent shall promptly and as principal obligor indemnify each Senior Creditor against any cost, loss or liability (together with any applicable VAT), whether or not reasonably foreseeable, incurred by any of them in relation to or arising out of the operation of clause 11 (Distressed Disposals and Appropriation).

17 Disclosure between Senior Creditors

Notwithstanding any agreement to the contrary, each of the Debtors, Pension Trustees and the Subordinated Creditors consents, until the Senior Discharge Date, to the disclosure by any Senior Creditor to each other of such information concerning the Debtors, the Pension Trustees and the Subordinated Creditors as any Senior Creditor shall see fit.

18 Notices

18.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter.

18.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of the Parent, that identified with its name below;
- (b) in the case of the Senior Creditors, that identified with its name below;
- (c) in the case of an Original Subordinated Creditor, that identified with its name in Schedule 1 (Original Subordinated Creditors) or below its name on the signature pages; and
- (d) in the case of each other Party, that notified in writing to the Senior Creditors on or prior to the date on which it becomes a Party.

or any substitute address, fax number or department or officer which that Party may notify to the Senior Creditors (or the Senior Creditors may notify to the other Parties, if a change is made by the Senior Creditors) by not less than five Business Days' notice.

18.3 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 18.2 (Addresses), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Senior Creditors will be effective only when actually received by the Senior Creditors and then only if it is expressly marked for the attention of the department or officer identified with the Senior Creditors' signature below (or any substitute department or officer as the Senior Creditor shall specify for this purpose).

(c) Any communication or document made or delivered to the Parent in accordance with this clause 18.3 will be deemed to have been made or delivered to each of the Debtors.

(d) Any communication or document which becomes effective, in accordance with clauses 18.3(a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

18.4 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to clause 18.2 (Addresses) or changing its own address or fax number, the Senior Creditor shall notify the other Parties.

18.5 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

(b) Any such *electronic communication* as specified in clause 18.5(a) above to be made between a Subordinated Creditor, a Pension Trustee, a Debtor or an Intra-Group Lender and the Senior Creditor may only be made in that way to the extent that those

two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

- (c) Any such electronic communication as specified in clause 18.5(a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Senior Creditors only if it is addressed in such a manner as the Senior Creditors shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with clause 18.5(c) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
- (e) Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this clause 18.5.

18.6 English language

- (a) Any notice given under or in connection with this Agreement must be in English.
- (b) All other documents provided under or in connection with this Agreement must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Senior Creditors, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

19 Preservation

19.1 Partial invalidity

If, at any time, any provision of a Debt Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

19.2 No Impairment

If, at any time after its date, any provision of a Debt Document (including this Agreement) is not binding on or enforceable in accordance with its terms against a person expressed to be a party to that Debt Document, neither the binding nature nor the enforceability of that provision or any other provision of that Debt Document will be impaired as against the other party(ies) to that Debt Document.

19.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under a Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Debt Document. No election to affirm any Debt Document on the part of a Senior Creditor shall be effective unless it is in writing. No single or partial

exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Debt Document are cumulative and not exclusive of any rights or remedies provided by law.

19.4 Waiver of defences

The provisions of this Agreement or any Transaction Security will not be affected by an act, omission, matter or thing which, but for this clause 19.4, would reduce, release or prejudice the subordination and priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party):

- (a) any time, waiver or consent granted to, or composition with, any Debtor or other person;
- (b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor or other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;
- (g) any intermediate Payment of any of the Liabilities owing to the Senior Creditors in whole or in part; or
- (h) any insolvency or similar proceedings.

20 Consents, Amendments and Override

20.1 Required consents

- (a) Subject to clause 20.3(b) (Exceptions), this Agreement may be amended or waived only with the consent of the Senior Creditors
- (b) An amendment or waiver that has the effect of changing or which relates to:
 - (i) clause 10 (Redistribution), clause 13 (Application of Proceeds) or this clause 20 (Consents, Amendments and Override); or
 - (ii) the order of priority or subordination under this Agreement,
 - (iii) shall not be made without the consent of the Senior Creditors

20.2 Effectiveness

- (a) Any amendment, waiver or consent given in accordance with this clause 20 will be binding on all Parties and the Senior Creditors may effect, any amendment, waiver or consent permitted by this clause 20.
- (b) The Senior Creditors may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.

20.3 Exceptions

- (a) Subject to clause 20.3(b) below, if the amendment, waiver or consent may impose new or additional obligations on or withdraw or reduce the rights of any Party other than in the case of a Senior Creditor, generally the consent of that Party is required.
- (b) Clause 20.3(a) above shall not apply:
 - (i) to any release of Transaction Security, claim or Liabilities; or
 - (ii) to any consent

which, in each case, the Senior Creditor gives in accordance with clause 11 (Distressed Disposals and Appropriation).

20.4 Deemed consent

If, at any time prior to the Senior Discharge Date, the Senior Creditors give a Consent in respect of the Senior Finance Documents then, if that action was permitted by the terms of this Agreement, the Intra-Group Lenders, the Parent, the Pension Trustees and the Subordinated Creditors will (or will be deemed to):

- (a) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party as though there was an equivalent provision to the matter about which the Senior Creditors have given Consent in the relevant Debt Document; and
- (b) do anything (including executing any document) that the Senior Creditors may reasonably require to give effect to this clause 20.4.

20.5 Excluded consents

Clause 20.4 (Deemed consent) does not apply to any Consent which has the effect of:

- (a) increasing or decreasing the Liabilities;
- (b) changing the basis upon which any Permitted Payments are calculated (including the timing, currency or amount of such Payments); or
- (c) changing the terms of this Agreement or of any Security Document; or
- (d) in relation to a proposed transfer of a registered interest in land, requiring the Pension Trustees to discharge its Security in respect of such interest in land where the transfer is:

- (i) to another member of the Group (unless equivalent replacement Security is given by that member of the Group); or
- (ii) in relation to Distressed Disposals and Liabilities Sales, for consideration that is less than fair market value determined in accordance with the process set out in clause 11.4 (Fair value); or
- (iii) in relation to sales which are not Distressed Disposals or Liabilities Sales, has not been conducted in accordance with Clause 3.4(b)(ii)

other than as contemplated by clause 11 (Distressed Disposals and Appropriation).

20.6 No liability

None of the Senior Creditors will be liable to any other Creditor, or Debtor for any Consent given or deemed to be given under this clause 20.

20.7 Agreement to override

20.7.1 Unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary.

20.7.2 This Agreement supersedes and replaces in all respects and for all purposes any previous agreement, whether written or oral, express or implied, between the parties to it (or any of them) in relation to the subject matter of this Agreement including (without limitation) the intercreditor agreement among Aurelius Finance Company Limited, the Term Loan Lender, the Parent, the Subordinated Creditors, Opco, Propco, the Original Debtors, the Intra-Group Lenders and the Pension Scheme Trustees dated 4 August 2020.

21 Counterparts

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.

22 Governing Law

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

23 Enforcement

23.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (**Dispute**)
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This clause 23.1 is for the benefit of the Senior Creditors only. As a result, no Senior Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Senior Creditors may take concurrent proceedings in any number of jurisdictions.

23.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law:
 - (i) each Debtor (unless incorporated in England and Wales):
 - (A) irrevocably appoints the Parent as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement and the Parent, by its execution of this Agreement, accepts that appointment; and
 - (B) agrees that failure by a process agent to notify the relevant Debtor of the process will not invalidate the proceedings concerned;
 - (ii) each Subordinated Creditor (unless incorporated or, in the case of any individual, resident in England and Wales):
 - (A) irrevocably appoints the Parent as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement; and
 - (B) agrees that failure by a process agent to notify the relevant Subordinated Creditor of the process will not invalidate the proceedings concerned; and
 - (iii) each Pension Trustee hereby:-
 - (A) appoints Ailan Martin of Mains of Giffen, Greenhills, Beith, Ayrshire, KA15 1HJ as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement; and
 - (B) agrees that failure by a process agent to notify the relevant Pension Trustee of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Parent (in the case of an agent for service of process for a Debtor or a Subordinated Creditor) must immediately (and in any event within 7 days of such event taking place) appoint another agent on terms acceptable to the Senior Creditors. Failing this, the Senior Creditors may appoint another agent for this purpose.
- (c) Each and every Subordinated Creditor which is not incorporated or, in the case of an individual, resident in England and Wales expressly agrees and consents to the provisions of this clause 23 and clause 22 (Governing Law).

This Agreement has been entered into on the date stated at the beginning of this Agreement and executed as a deed by the Senior Creditors, the Intra-Group Lenders, the Debtors, Propco, the Pension Trustees and the Subordinated Creditors and is intended to be and is delivered by them as a deed on the date specified above.

Schedule 1
Original Subordinated Creditors

Name	Address	Jurisdiction of residence
Andrew McGeoch	Woodlands, Dineiddwg, Milngavie, Glasgow, G62 8LQ	Scotland
Neil McGeoch	Lochlea Farm, Craigie, Kilmarnock, Ayrshire, KA1 5NN	Scotland
Olga Jane McGeoch	99 Woodside Terrace Lane, Glasgow, G3 7XP	Scotland

Schedule 2
Original Debtors

Name of Original Debtor	Registration number (or equivalent, if any) and Original Jurisdiction
B.R. & G.J. Twitchett Limited	01119808, England and Wales
G.E. Worthington Limited	01475680, England and Wales
Glenfinglas Hydro Ltd	SC500317, Scotland
Janpro Ltd	SC145340, Scotland
Laroque Limited	03818302, England and Wales
M&Co Services Limited	SC662036, Scotland
M&Co Trading Limited	SC662082, Scotland
Mackays Stores Group Limited	SC223864, Scotland
Mackays Stores (Holdings) Limited	SC054092, Scotland
M.E.G. Renewables Limited	SC232635, Scotland
William McIlroy Swindon Limited	00543328, England and Wales

Schedule 3
Intra-Group Lenders

Name of Intra-Group Lenders	Registration number (or equivalent, if any) and Original Jurisdiction
B.R. & G.J. Twitchett Limited	01119808, England and Wales
G.E. Worthington Limited	01475680, England and Wales
Glenfinglas Hydro Ltd	SC500317, Scotland
Janpro Ltd	SC145340, Scotland
Laroque Limited	03818302, England and Wales
M&Co Services Limited	SC662036, Scotland
M&Co Trading Limited	SC662082, Scotland
Mackays Stores Group Limited	SC223864, Scotland
Mackays Stores (Holdings) Limited	SC054092, Scotland
M.E.G. Renewables Limited	SC232635, Scotland
William McIlroy Swindon Limited	00543328, England and Wales

Schedule 4
Form of Debtor Accession Deed

THIS AGREEMENT is made on ♦ and made between:

- (1) ♦ (**Acceding Debtor**);
- (2) ♦ (**Senior Creditors**), for itself and each of the other parties to the intercreditor agreement referred to below

This agreement is made on [date] by the Acceding Debtor in relation to an intercreditor agreement (**Intercreditor Agreement**) dated ♦ between, amongst others, ♦ as parent, ♦, the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement).

The Acceding Debtor intends to [incur Liabilities under the following documents]/[give a guarantee, indemnity or other assurance against loss in respect of Liabilities under the following documents]:

[Insert details (date, parties and description) of relevant documents]

Relevant Documents

It is agreed

- 1 Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.
- 2 The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.
- 3 [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement]."
- 4 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by, English law.

This Agreement has been signed on behalf of the Senior Creditor and executed as a deed by the Acceding Debtor and is delivered on the date stated above.

" Include this paragraph in the relevant Debtor Accession Deed if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement

The Acceding Debtor

Signed as a deed, and delivered when dated, by
[Name of Acceding Debtor] acting by [Name of
Director], a director in the presence of: Director

Witness

Signature

Name

Occupation

Address

Notices:

Address: ♦

Fax: ♦

Attention: ♦

The Senior Creditors

HUK 103 Limited

By:

Date:

[HSBC UK Bank PLC]

By:

Date:

Schedule 5
Form of Creditor Accession Undertaking

To: [Insert full name of Senior Creditor] for itself and each of the other parties to the Intercreditor Agreement referred to below

From: [Acceding Creditor]

This Undertaking is made on [date] by [insert full name of new Senior Creditor/Subordinated Creditor/Intra-Group Lender/Pension Scheme Trustee] (**Acceding [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/Pension Scheme Trustee]**) in relation to the intercreditor agreement (**Intercreditor Agreement**) dated ♦ between, among others, [♦] as parent, ♦ and ♦ as Senior Creditors the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement). Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking

In consideration of the Acceding [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/Pension Scheme Trustee] being accepted as a [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/Pension Scheme Trustee] for the purposes of the Intercreditor Agreement, the Acceding [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/Pension Scheme Trustee] confirms that, as from [date], it intends to be party to the Intercreditor Agreement as a [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/ Pension Scheme Trustee] and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a [Senior Creditor/ Subordinated Creditor /Intra-Group Lender/ Pension Scheme Trustee] and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

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

This Undertaking has been entered into on the date stated above [and is executed as a deed by the Acceding Creditor, if it is acceding as an Intra-Group Lender and is delivered on the date stated above].

The Acceding [Creditor]

Signed as a deed, and delivered when dated, by
[Name Of Acceding Creditor] acting by [Name Of
Director], a director in the presence of: Director

Witness

Signature :

Name :

Occupation :

Address

Notices:

Address: ♦

Fax: ♦

Attention: ♦

The Senior Creditors

HUK 103 Limited

By:

Date:

[HSBC UK Bank PLC]

By:

Date:

Schedule 6
Form of Debtor Resignation Request

To: [Insert full name of current Senior Creditors]

From: [resigning Debtor] and [Parent]

Dated: ♦

Dear Sirs

♦ Limited - Intercreditor Agreement

dated ♦ (Intercreditor Agreement)

- 1 We refer to the Intercreditor Agreement. This is a Debtor Resignation Request. Terms defined in the Intercreditor Agreement have the same meaning in this Debtor Resignation Request unless given a different meaning in this Debtor Resignation Request.
- 2 Pursuant to clause 14.10 (Resignation of a Debtor) of the Intercreditor Agreement we request that [resigning Debtor] be released from its obligations as a Debtor under the Intercreditor Agreement.
- 3 We confirm that:
 - (a) no Default is continuing or would result from the acceptance of this request; and
 - (b) [resigning Debtor] is under no actual or contingent obligations in respect of the Intra-Group Liabilities, the Subordinated Liabilities or the Propco Liabilities.
- 4 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

♦ Limited

[resigning Debtor]

By:

By:

Schedule 7
Property Attributed Completion Value

Branch	Address	Country	Landlord	Type of Property	Trading sq ft 2018	Vacant Possession (VP) Value	Modifier	Floor for Sales
ELGIN	South Street	Scotland	FREEHOLD	Non Trade		£100,000	80%	£80,000
JOHNSTONE	JOHNSTONE 7/9 Houston Square	Scotland	FREEHOLD	Retail	2,842	£200,000	80%	£160,000
BANFF	BANFF 34 High Street	Scotland	FREEHOLD	Retail	2,970	£125,000	80%	£100,000
BUICKIE	BUICKIE 5 East Church Street	Scotland	FREEHOLD	Retail	5,300	£150,000	80%	£120,000
DUNOON	DUNOON 121 Argyle Street	Scotland	FREEHOLD	Retail	3,901	£150,000	80%	£120,000
PETERHEAD	PETERHEAD 14/16 Erroll Street	Scotland	FREEHOLD	Retail	4,290	£190,000	80%	£152,000
BELLSHILL	BELLSHILL 250-256 Main Street	Scotland	FREEHOLD	Retail	3,148	£180,000	80%	£144,000
LITTLEHAMPTON	LITTLEHAMPTON 38/40 High Street	England	FREEHOLD	Retail	2,174	£325,000	80%	£260,000
LANARK	LANARK 65/69 High Street	Scotland	FREEHOLD	Retail	6,890	£350,000	80%	£280,000
CAMBORNE	CAMBORNE 23-27 Trelowarren Street	England	FREEHOLD	Retail	4,500	£225,000	80%	£180,000
CASTLE DOUGLAS	CASTLE DOUGLAS 127/129 King Street	Scotland	FREEHOLD	Retail	5,722	£250,000	80%	£200,000
ORKNEY	ORKNEY 25 Albert Street	Scotland	FREEHOLD	Retail	7,580	£350,000	80%	£280,000
BECCLES	BECCLES 3 The Walk	England	FREEHOLD	Retail	5,184	£280,000	80%	£224,000
ABERYSTWYTH	ABERYSTWYTH 35 Great Darkgate Street	Wales	FREEHOLD	Retail	4,073	£350,000	80%	£280,000
PERSHORE	PERSHORE 24-28 High Street	England	FREEHOLD	Retail	3,622	£450,000	80%	£360,000
PERTH	PERTH (Part) 26/30 Scott Street	Scotland	FREEHOLD (part leasehold) Grosvenor (Perth) Ltd	Retail	3,433	£450,000	80%	£360,000
AYR	AYR 14 Alloway Street	Scotland	FREEHOLD	Retail	6,081	£380,000	80%	£304,000
SPALDING	SPALDING 11/12 Bridge Street	England	FREEHOLD	Retail	6,056	£350,000	80%	£280,000

Branch	Address	Country	Landlord	Type of Property	Trading sq ft 2018	Vacant Possession (VP) Value	Modifier	Floor for Sales
HELENSBURGH	HELENSBURGH 38/40 Sinclair Street	Scotland	FREEHOLD	Retail	4,280	£280,000	80%	£224,000
NEWQUAY	NEWQUAY 43 Bank Street	England	FREEHOLD	Retail	5,144	£280,000	80%	£224,000
BLAIRGOWRIE	BLAIRGOWRIE 16- 26 High Street	Scotland	FREEHOLD	Retail			80%	£0
LLANDUDNO	LLANDUDNO 2-6 Gloddaech Street	Wales	long leasehold Term 2000 from 1925* Freehold	Retail		£400,000	80%	£320,000
STONEHAVEN	STONEHAVEN 76 Allardice Street	Scotland	FREEHOLD	Retail	4,703	£500,000	80%	£400,000
ELGIN	ELGIN 118/120 High Street	Scotland	FREEHOLD	Retail	5,467	£450,000	80%	£360,000
HEXHAM	HEXHAM 35-37 Fore Street	England	FREEHOLD	Retail	2,530	£325,000	80%	£260,000
STOURPORT ON SEVERN	STOURPORT-ON- SEVERN 1 Lombard Street	England	FREEHOLD	Retail	6,900	£450,000	80%	£360,000
FORFAR	FORFAR 52-57 East High Street	Scotland	FREEHOLD	Retail	7,080	£500,000	80%	£400,000
NEWPORT	NEWPORT 34 High Street	England	FREEHOLD	Retail	9,472	£500,000	80%	£400,000
KIRKINTILLOCH	KIRKINTILLOCH 71 Cowgate	Scotland	FREEHOLD	Retail	9,803	£400,000	80%	£320,000
MONTROSE	MONTROSE 132-140 High Street	Scotland	FREEHOLD	Retail	7,471	£500,000	80%	£400,000
HADDINGTON	HADDINGTON 24-28 Court Street	Scotland	FREEHOLD	Retail	9,045	£550,000	80%	£440,000
ASHBOURNE	ASHBOURNE Unit 11, Shawcroft Shopping Centre & Unit 2, Shawcroft Shopping Centre	England	FREEHOLD	Retail	6,020	£550,000	80%	£440,000
SITTINGBOURNE	SITTINGBOURNE 101-107 High Street	England	FREEHOLD	Retail	3,810	£400,000	80%	£320,000
CLEVELEYS	CLEVELEYS 23 Victoria Road West	England	FREEHOLD	Retail	5,686	£900,000	80%	£720,000
MINEHEAD	MINEHEAD 4 Park Street	England	FREEHOLD	Retail	5,278	£450,000	80%	£360,000
PENARTH	PENARTH 20 Windsor Road	England	FREEHOLD	Retail	5,900	£550,000	80%	£440,000

Branch	Address	Country	Landlord	Type of Property	Trading sq ft 2016	Vacant Possession (VP) Value	Modifier	Floor for Sales
CREWKERNE	CREWKERNE 9 Market Street and four lock-up garages at Falkland Square	England	FREEHOLD	Retail	6,680	£600,000	80%	£480,000
FRINTON	FRINTON 78-84 Connaught Avenue	England	FREEHOLD	Retail	5,040	£700,000	80%	£560,000
INVERURIE	INVERURIE 33 Market Place	Scotland	FREEHOLD	Retail	6,715	£500,000	80%	£400,000
MUSSELBURGH	MUSSELBURGH 166/174 High Street	Scotland	FREEHOLD	Retail	4,704	£650,000	80%	£520,000
OSWESTRY	OSWESTRY 13-15 The Cross	England	FREEHOLD	Retail	8,724	£550,000	80%	£440,000
WELLS	WELLS 27/29 High Street	England	FREEHOLD	Retail	5,723	£700,000	80%	£560,000
ST ANDREWS	ST ANDREWS 123 South Street	Scotland	FREEHOLD (Part)	Retail		£500,000	80%	£400,000
BRIDPORT	BRIDPORT 15 East Street	England	FREEHOLD	Retail	6,119	£550,000	80%	£440,000
ALTON	ALTON 37/39 High Street	England	FREEHOLD	Retail	8,643	£750,000	80%	£600,000
LARGS	LARGS 112 Main Street	Scotland	FREEHOLD	Retail	11,538	£835,000	80%	£668,000
PORTISHEAD	PORTISHEAD 21-23 High Street	England	FREEHOLD	Retail	10,600	£800,000	80%	£640,000
INVERNESS	INVERNESS 42 Academy Street	Scotland	FREEHOLD	Retail	5,120	£750,000	80%	£600,000
Billerica	50-52 High Street	England	FREEHOLD	Retail		£680,000	80%	£544,000
WARMINSTER	WARMINSTER 55/57 & 61-65 Market Place	England	FREEHOLD	Retail	14,352	£800,000	80%	£640,000
CHESHAM	CHESHAM Unit 1, 2 and 3 48/52 High Street	England	FREEHOLD	Retail	12,564	£1,750,000	80%	£1,400,000
MIDSOMER NORTON	MIDSOMER NORTON 38 High Street	England	FREEHOLD	Retail	8,298	£550,000	80%	£440,000
LONDON FLAT	Palace Court	England	FREEHOLD Non Retail	Non Retail	1659	£2,600,000	FLOOR	£2,300,000
INCHINNAN Support Centre	Inchinnan	Scotland	FREEHOLD Non Retail	Non Retail	158460	£8,075,000	FLOOR	£7,200,000
LONDON Buying Office	Conduit Place, London	England	FREEHOLD Non Retail	Non Retail	14425	£10,100,000	FLOOR	£8,000,000
						£46,280,000		£37,104,000
								82%

Signatures

The Senior Creditors

Signed as a deed, and delivered when dated, by
HUK 103 Limited acting by an authorised
signatory in the presence of:



.....
Authorised Signatory

Witness

Signature



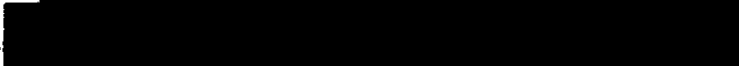
Name

JENNIFER FOSTER

Occupation



Address



I confirm that I was physically present when Henry Foster signed this deed

Notices:

Address: 84 Grosvenor Street, London, England, W1K 3JZ

Fax:

Attention: Inca Lockhart-Ross

Signed as a deed, and delivered when dated, by
HSBC UK Bank PLC acting by an authorised
signatory in the presence of:

.....
Authorised Signatory

Witness

Signature

:

Name

:

Occupation

:

Address

:

I confirm that I was physically present when _____ signed this deed

Signatures

The Senior Creditors

Signed as a deed, and delivered when dated, by
HUK 103 Limited acting by an authorised
signatory in the presence of:

.....
Authorised Signatory

Witness

Signature :

Name :

Occupation :

Address :

I confirm that I was physically present when _____ signed this deed

Notices:

Address: 84 Grosvenor Street, London, England, W1K 3JZ

Fax:

Attention: Inca Lockhart-Ross

Signed as a deed, and delivered when dated, by
HSBC UK Bank PLC acting by an authorised
signatory in the presence of:


Authorised Signatory

Witness

Signature : 

Name : CHRISTOPHER LOUIS CLARK

Occupation : SOLICITOR

Address : 1 EXCHANGE CRESCENT, CONFERENCE SQUARE, GOSBURNH

I confirm that I was physically present when Douglas BARKIE signed this deed

Notices:

Address: HSBC UK BANK PLC, FIRST FLOOR, 141 BOTHWELL STREET, GLASGOW G2 7EQ

Fax: N/A

Attention: RICHARD VENTERS

The Original Subordinated Creditors

Signed as a deed, and delivered when dated, by
Andrew McGeoch
in the presence of:

Witness

Signature

Name

Occupation

Address

FIONA STRANK

SOLICITOR

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when Andrew McGeoch signed this deed

Signed as a deed, and delivered when dated,
by **Neil McGeoch**
in the presence of:

Witness

Signature

Name

Occupation

Address

FIONA STRANK

SOLICITOR

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when Neil McGeoch signed this deed

Signed as a deed, and delivered when dated,
by **Olga Jane McGeoch**
in the presence of:

Witness

Signature

Name

Occupation

Address

: **FIONA STRANG**

: **SOLICITOR**

: Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when Olga Jane McGeoch signed this deed

Parent

Signed as a deed, and delivered when dated, by
Mackays Stores Group Limited acting by a
director in the presence of:

Director

Witness

Signature

Name

Occupation

Address

: **FIONA STRANG**

: **SOLICITOR**

: Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when **ANDREW JOHN** signed this deed
McGECH

Notices:

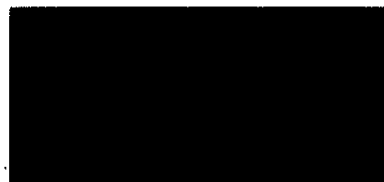
Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention Andrew McGeoch

Opco

Signed as a deed, and delivered when dated, by
M&Co Trading Limited acting by a director in the
presence of:



Director

Witness



Signature

Name : **FIONA STRANG**

Occupation : **SOLICITOR**
Harper MacLeod LLP

Address : The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when **ANDREW JOHN** signed this deed

MCGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

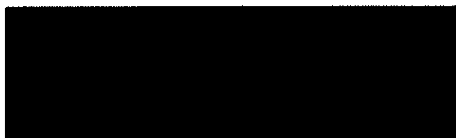
Propco

Signed as a deed, and delivered when dated, by
Mackays Stores (Holdings) Limited acting by a
director in the presence of:



Director

Witness



Signature

Name : **FIONA STRANG**

Occupation : **SOLICITOR**
Harper MacLeod LLP
The Ca'd'oro Building

Address : 45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when **ANDREW JOHN** signed this deed

MCGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew

McGeoch

The Original Debtors

Signed as a deed, and delivered when dated, by
B.R. & G.J. Twitchett Limited acting by a director
in the presence of:



Director

Witness

Signature :



Name :

FIONA STRANK

Occupation :

SOLICITOR

Address :

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street

I confirm that I was physically present when ANDREW JOHN McGEACH signed this deed

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeach

Signed as a deed, and delivered when dated, by
G.E. Worthington Limited acting by a director in
the presence of:



Director

Witness

Signature :



Name :

FIONA STRANK

Occupation :

SOLICITOR

Address :

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN McGEACH signed this deed

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

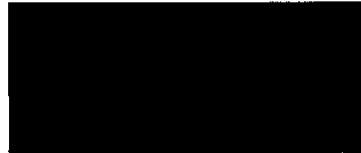
Attention: Andrew McGeach

Signed as a deed, and delivered when dated, by
Glenfinglas Hydro Ltd acting by a director in the
presence of:



Director

Witness



Signature

Name

: **FIONA STRANK**

Occupation

SOLICITOR

Address

: Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
M'GEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

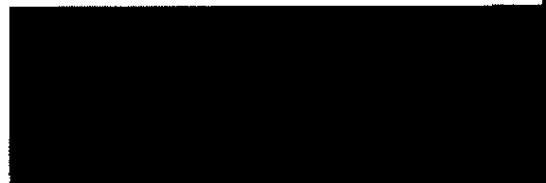
Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Janpro Ltd acting by a director in the presence of:



Director

Witness



Signature

Name

: **FIONA STRANK**

Occupation

SOLICITOR

Address

: Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
M'GEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

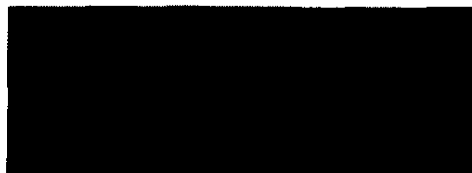
Signed as a deed, and delivered when dated, by
Laroque Limited acting by a director in the
presence of:



Director

Witness

Signature



Name

: **FIONA STRANK**

Occupation

: **SOLICITOR**

Address

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when **ANDREW JOHN** signed this deed
MCGEOCH

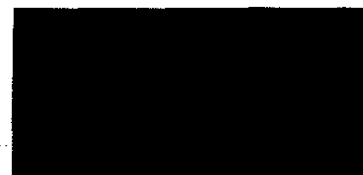
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention Andrew McGeoch

Signed as a deed, and delivered when dated, by
M&Co Services Limited acting by a director in the
presence of:



Director

Witness

Signature



Name

: **FIONA STRANK**

Occupation

: **SOLICITOR**

Address

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when **ANDREW JOHN** signed this deed
MCGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention Andrew McGeoch

Signed as a deed, and delivered when dated, by
M&Co Trading Limited acting by a director in the
presence of:



Director

Witness



Signature

Name

FIONA STRANK

Occupation

SOLICITOR
Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

Address

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

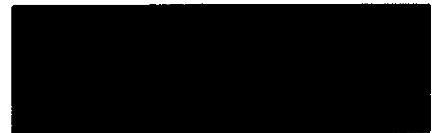
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

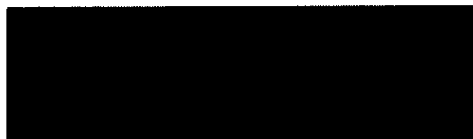
Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Mackays Stores Group Limited acting by a
director in the presence of:



Director

Witness



Signature

Name

FIONA STRANK

Occupation

SOLICITOR
Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

Address

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

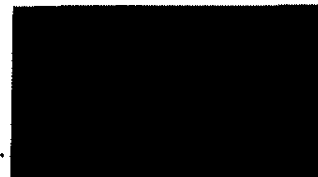
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Mackays Stores (Holdings) Limited acting by a
director in the presence of:



Director

Witness



Signature

Name : FIONA STRANK

Occupation : SOLICITOR

Address : Harper MacLend LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

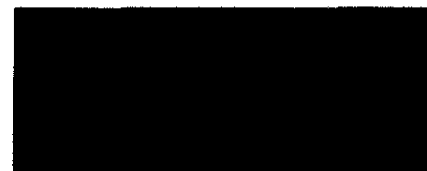
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention Andrew McGeoch

Signed as a deed, and delivered when dated, by
M.E.G. Renewables Limited acting by a director in
the presence of:



Director

Witness



Signature

Name : FIONA STRANK

Occupation : SOLICITOR

Address : Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
William McIlroy Swindon Limited acting by a
director in the presence of:



Director

Witness



Signature

Name

FIONA STRANG

Occupation

: SOLICITOR

Address

: Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
M^c GEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

The Intra-Group Lenders

Signed as a deed, and delivered when dated, by
B.R. & G.J. Twitchett Limited acting by a director
in the presence of:



Director

Witness



Signature

Name

Fiona Strank

Occupation

Solicitor

Address

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when Andrew John McGeoch signed this deed

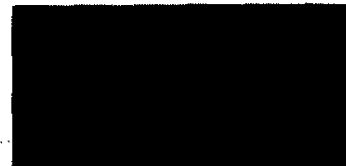
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

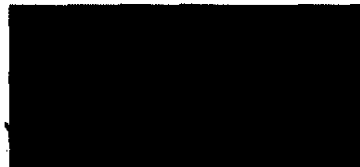
Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
G.E. Worthington Limited acting by a director in
the presence of:



Director

Witness



Signature

Name

Fiona Strank

Occupation

Solicitor

Address

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when Andrew John McGeoch signed this deed

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Glenfinglas Hydro Ltd acting by a director in the
presence of:

Director

Witness

Signature

Name

Occupation

Address

FIONA STRANK

SOLICITOR

Harper MacLeod LLP
The Ca'd'oro Building

45, Gordon Street
Glasgow G1 3PF

I confirm that I was physically present when ANDREW JOHN signed this deed

M'GEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Janpro Ltd acting by a director in the presence of:

Director

Witness

Signature

Name

Occupation

Address

FIONA STRANK

SOLICITOR

Harper MacLeod LLP
The Ca'd'oro Building

45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed

M'GEOCH

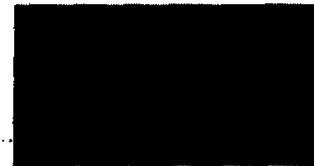
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Laroque Limited acting by a director in the
presence of:



Director

Witness



Signature

Name

RONA STRANG

Occupation

SOLICITOR

Address

Harper MacLeod
The Ca'doro Building
45, Gordon Street
Glasgow, G1 3PF

I confirm that I was physically present when RONA STRANG signed this deed
McGEACH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeach

Signed as a deed, and delivered when dated, by
M&Co Services Limited acting by a director in the
presence of:



Director

Witness



Signature

Name

RONA STRANG
SOLICITOR

Occupation

Harper MacLeod
The Ca'doro Building
45, Gordon Street
Glasgow, G1 3PF

I confirm that I was physically present when RONA STRANG signed this deed
McGEACH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeach

Signed as a deed, and delivered when dated, by
M&Co Trading Limited acting by a director in the
presence of:



Director

Witness

Signature :



Name :

Fiona Sprank

Occupation :

SouciTOR

Address :

Harper MacLeod :
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when *Andrew McGeoch* signed this deed
McGeoch

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

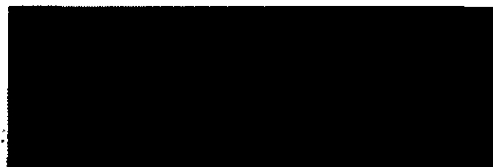
Signed as a deed, and delivered when dated, by
Mackays Stores Group Limited acting by a
director in the presence of:



Director

Witness

Signature :



Name :

Fiona Sprank

Occupation :

SouciTOR

Address :

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
Mackays Stores (Holdings) Limited acting by a
director in the presence of:



Director

Witness



Signature

Name

FIONA STRANK

Occupation

SOLICITOR

Address

Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

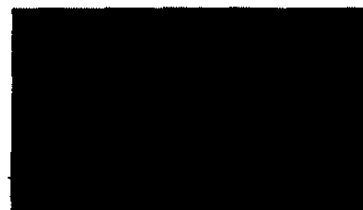
Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
M.E.G. Renewables Limited acting by a director in
the presence of:



Director

Witness



Signature

Name

FIONA STRANK

Occupation

SOLICITOR
Harper MacLeod LLP
The Ca'd'oro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when ANDREW JOHN signed this deed
MCGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention: Andrew McGeoch

Signed as a deed, and delivered when dated, by
William McIlroy Swindon Limited acting by a
director in the presence of:



Director

Witness

Signature :



Name :

Fiona Smith

Occupation :

Solicitor

Address :

Harper MacLeod Ltd.
The Caldoro Building
45, Gordon Street
Glasgow G1 3PE

I confirm that I was physically present when *ANDREW JOHN* signed this deed
McGEOCH

Notices:

Address: Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew PA4 9AF

Fax:

Attention Andrew McGeoch

The Pension Scheme Trustees

Signed as a deed, and delivered when dated, by **Allan Christopher Martin** as trustee of the Mackays Stores Limited Retirement Benefits Scheme and acting under a delegated authority dated 10 March 2021 for and on behalf of each of Matthew Richard McKimmie, Rebecca Hammond and 20-20 Trustee Services Limited in their respective capacities as trustees of the Mackays Stores Limited Retirement Benefits Scheme, in the presence of:

Witness

Signature :

Name :

Occupation :

Address :

I confirm that I was physically present when Allan Christopher Martin signed this deed

Notices:

Address:

Fax: N/A

Attention: ALLAN MARTIN