



Registration of a Charge

Company name: **ARGON DEVELOPMENTS (NORTH) LIMITED**

Company number: **SC446800**



X5HHBWEO

Received for Electronic Filing: **12/10/2016**

Details of Charge

Date of creation: **05/10/2016**

Charge code: **SC44 6800 0010**

Persons entitled: **BANK OF SCOTLAND PLC AS AGENT FOR THE FINANCE PARTIES AND SECURITY TRUSTEE FOR THE SECURED PARTIES BOTH AS DEFINED IN THE INSTRUMENT EVIDENCING THE CHARGE ACCOMPANYING THIS FORM MR01.**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

CHRIS DUN



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 446800

Charge code: SC44 6800 0010

The Registrar of Companies for Scotland hereby certifies that a charge dated 5th October 2016 and created by ARGON DEVELOPMENTS (NORTH) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th October 2016 .

Given at Companies House, Edinburgh on 12th October 2016

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

PLEDGE OVER DEPOSIT ACCOUNTS

granted by

ARGON DEVELOPMENTS (NORTH) LIMITED

in favour of

BANK OF SCOTLAND PLC
as Security Agent

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THIS PLEDGE OVER DEPOSIT ACCOUNTS is made between:

- (1) **ARGON DEVELOPMENTS (NORTH) LIMITED** (registered number SC446800) having its registered office at Phoenix House, Phoenix Crescent, Strathclyde Business Park, Bellshill, ML4 3NJ (the "**Chargor**");

and

- (2) **BANK OF SCOTLAND PLC** (registered number SC327000) whose registered office is at The Mound, Edinburgh, EH1 1YZ as agent and security trustee for each of the Finance Parties (the "**Security Agent**").

WHEREAS:

- (A) Bank of Scotland plc has agreed to make available to the Chargor certain loan facilities pursuant to the Facility Agreement.
- (B) It is a condition precedent to those facilities being made available that the Chargor enters into this Pledge.

NOW THIS PLEDGE WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Incorporation of definitions

Terms defined in the Facility Agreement, unless otherwise defined in this Pledge or unless a contrary intention appears, bear the same meaning when used in this Pledge.

1.2 Additional definitions

In this Pledge, unless the context otherwise requires:

"Account Bank" means Bank of Scotland plc at its offices at 1st Floor, New Ueber House, 11 Earl Grey Street, Edinburgh EH3 9BN.

"Charged Assets" means all right, title and interest of the Chargor in and to the Restricted Accounts, the monies standing to the credit of the Restricted Accounts and the debts represented thereby.

"Enforcement Event" means:

- (a) an Event of Default has occurred; and

- (b) the Agent has given notice in accordance with clause 22.19 (*Acceleration*) of the Facility Agreement;

“Facility Agreement” means the facility agreement dated on or around the date of this Pledge between, *inter alia*, the Chargor and the Security Agent.

“Insolvency Act” means the Insolvency Act 1986.

“Pledge” means this pledge over deposit accounts.

“Restricted Accounts” means each of the accounts maintained by the Chargor with the Account Bank specified in Part 1 of the Schedule and includes:

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Restricted Account is transferred; and
- (b) any account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes.

“Secured Liabilities” means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally, as principal or surety or in any other capacity whatsoever) of the Transaction Obligors to the Finance Parties (or any of them) under each of the Finance Documents (and whether originally owing to that Finance Party or purchased or acquired by that Finance Party), except for any obligation or liability which, if it were so included, would result in this Pledge contravening any law.

1.3 **Security trust provisions**

1.4 The Security Agent holds the benefit of this Pledge on trust for the Finance Parties in accordance with clause 25.1 (*The Agent and the Security Agent*) of the Facility Agreement.

1.5 **Construction**

1.5.1 Unless a contrary indication appears, any reference in this Pledge to:

- (a) any **"Chargor"**, **"Security Agent"**, **"Finance Party"**, **"Transaction Obligor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) **"assets"** includes present and future properties, revenues and rights of every description;
- (c) the **"Facility Agreement"**, a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as from time to time amended, novated, supplemented, replaced, extended or restated in whole or in part;
- (d) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
- (e) 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 regulatory, self-regulatory or other authority or organisation;
- (f) a provision of law is a reference to that provision as from time to time amended or re-enacted;
- (g) **"disposal"** includes a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary (and **"dispose"** shall be construed accordingly);
- (h) **"document"** includes any deed, instrument (including negotiable instrument) or other document of any kind;

- (i) any matter “including” specific instances or examples of such matter shall be construed without limitation to the generality of that matter (and references to “include” shall be construed accordingly);
- (j) the “winding-up”, “dissolution” or “administration” of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or established, or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors; and
- (k) Clauses and the Schedule are to the clauses and the schedule to this Pledge.

1.5.2 Clause headings are for ease of reference only.

1.5.3 Words in the singular shall import the plural and *vice versa*.

1.5.4 Words defined in the Companies Act 2006 have the same meanings in this Pledge.

1.5.5 In the case of any conflict between the provisions of this Pledge and the provisions of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

2. COVENANT TO PAY

2.1 Covenant to pay

The Chargor, as principal debtor and not just as surety, covenants with the Security Agent to pay, discharge and satisfy the Secured Liabilities when the same become due in terms of the Finance Documents whether by acceleration or otherwise.

2.2 Interest

The Chargor shall pay interest on any amount demanded from it in accordance with this Pledge from the date of such demand until such amount is irrevocably discharged and paid in full (such interest to accrue on a daily basis after as well as before judgment or the liquidation or administration of the Chargor and to be payable on demand) at the rate from time to time applicable to unpaid sums specified in the Facility Agreement pursuant to clause 8.3 (*Default Interest*) of the Facility Agreement, save to the extent that such interest is charged on such amount

pursuant to the relevant Finance Document and itself constitutes a Secured Liability.

3. CREATION OF SECURITY

3.1 General

All the security created under this Pledge:

3.1.1 is created in favour of the Security Agent as agent and security trustee for each of the Finance Parties; and

3.1.2 is security for the payment of all the Secured Liabilities.

3.2 Pledge

As security for the discharge of the Secured Liabilities, the Chargor pledges and assigns all its right, title and interest in and to the Restricted Accounts, the monies standing to the credit of the Restricted Accounts and the debts represented thereby.

4. PROVISIONS AS TO SECURITY

4.1 Continuing security

4.1.1 The security from time to time created by this Pledge is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Security Agent.

4.1.2 No part of the security from time to time created by this Pledge will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

4.2 Additional security

This Pledge shall be without prejudice and in addition to any other security which may at any time be held by the Security Agent or any other Finance Party from the Chargor or any other person in respect of the whole or any part of the Secured Liabilities and may be enforced independently of any such other security.

4.3 No obligation to take other enforcement proceedings

The Security Agent shall not be obliged before exercising any of the rights conferred on it by this Pledge or by law:

4.3.1 to make any demand of the Chargor or any other person other than that required by the terms of the Finance Documents;

- 4.3.2 to take any action, enforce any security, exercise any right of compensation or set-off or to obtain or enforce any judgement, decree or order in any court against the Chargor or any other person;
- 4.3.3 to make or file any claim or proof in a winding up, liquidation, administration or other insolvency proceedings of the Chargor or any other person; or
- 4.3.4 to enforce or seek to enforce any other security taken in respect of any of the obligations of the Chargor or any other person under the Finance Documents.

4.4 **Waiver of defences**

The obligations of the Chargor under this Pledge will not be affected by any act, omission or circumstances which, but for this Clause 4.4 (*Waiver of defences*), might operate to release, discharge, impair or otherwise affect any of the obligations of the Chargor under this Deed or any of the rights, powers or remedies conferred upon the Security Agent and the other Finance Parties or any of them by the Finance Documents or by law including (but without limitation) and whether or not known to the Chargor or any Finance Party:

- 4.4.1 any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;
- 4.4.2 the release of any other Transaction Obligor or any other person from its obligations under any Finance Document or any security or guarantee granted in connection therewith;
- 4.4.3 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 Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 4.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Transaction Obligor or any other person;
- 4.4.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase

in any facility or the addition of any new facility under any Finance Document or other document or security;

4.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

4.4.7 any insolvency or similar proceedings.

4.5 **Non-competition**

Until the Transaction Security has been discharged, the Company will not, after a claim has been made or by virtue of any payment or performance by it of the Secured Liabilities:

4.5.1 be subrogated to any rights, security or monies held, received or receivable by any Secured Party or any Transaction Obligor nor be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Secured Liabilities;

4.5.2 claim, rank, prove or vote as a creditor of any Transaction Obligor; or

4.5.3 receive, claim or have the benefit of any payment, distribution or security from or on account of a Transaction Obligor, or exercise any right of set-off as against a Transaction Obligor,

and the Company shall forthwith pay or transfer to the Security Agent an amount equal to the amount of any dividend, distribution, contribution or benefit (including without limitation any amount set-off) actually received by it and in the meantime shall hold the same in trust for the Security Agent to the extent required to pay or discharge the Secured Liabilities.

5. **PERFECTION OF SECURITY**

5.1 **Notices of Assignment**

Immediately upon execution of this Pledge the Chargor shall deliver a duly completed notice of assignment in respect of the Restricted Accounts to the Account Bank in the form set out in Part 2 of the Schedule (*Notice of pledge of Restricted Accounts*), and use all reasonable endeavours to procure that the Account Bank executes and delivers to the Security Agent an acknowledgement, in the form set out in Part 3 of the Schedule (*Acknowledgement of pledge of Restricted Accounts*) (or in such other form as the Security Agent shall agree).

5.2 Further assurance

The Chargor will promptly do all such acts or execute all such documents as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to:

- 5.2.1 perfect the security created or intended to be created by this Pledge or for the exercise of the rights, powers and remedies of the Security Agent provided by or pursuant to this Pledge or by law; and/or
- 5.2.2 after the security created by this Pledge has become enforceable pursuant to Clause 8 (*When security becomes enforceable*) facilitate the realisation of the Charged Assets or the application of any of the Charged Assets in satisfaction of the Secured Liabilities.

6. OPERATION OF RESTRICTED ACCOUNTS

6.1 Interest

All interest accruing on any amounts from time to time standing to the credit of a Restricted Account shall, unless otherwise agreed in writing by the Security Agent, be credited to that Restricted Account.

6.2 Signing Rights

The Security Agent shall have sole signing rights in relation to the operation of the Restricted Accounts.

6.3 Restriction on withdrawals

Until the Secured Liabilities shall have been irrevocably paid or discharged in full, the Chargor shall not, unless otherwise agreed by the Security Agent in writing, be entitled to withdraw any amount standing to the credit of a Restricted Account nor shall any such amount be repayable, notwithstanding the terms on which any monies have been deposited or the terms governing the operation of such account.

6.4 Restriction on alienation

The Chargor will not, except in terms of this Pledge, dispose of any interest in any of the Charged Assets or create or permit to subsist any Encumbrance over any of the Charged Assets.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and warranties

The Chargor represents and warrants to the Security Agent as agent and security trustee for each of the Finance Parties that:

- 7.1.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
- 7.1.2 it has the power to grant this Pledge and to perform its obligations hereunder;
- 7.1.3 it has taken all necessary corporate action to authorise the execution and delivery of this Pledge and to authorise the performance of its obligations hereunder;
- 7.1.4 subject to the registration of the Legal Reservations and the Perfection Requirements, this Pledge constitutes a legal, valid, binding and enforceable obligation of the Chargor;
- 7.1.5 neither the granting of this Pledge by the Chargor nor the performance of its obligations hereunder will contravene any law or regulation or any agreement to which the Chargor is a party or by which it is bound nor will it cause any limitation of any of the powers of the Chargor however imposed or the right or ability of the directors to exercise any such powers to be exceeded;
- 7.1.6 it is the sole legal and beneficial owner of the credit balance from time to time on each Restricted Account which it maintains;
- 7.1.7 the Charged Assets are free from any Encumbrance other than any Encumbrance created under the Finance Documents;
- 7.1.8 all authorisations required for the entry into, performance, validity and enforceability of this Pledge by the Chargor have been obtained and are in full force and effect; and
- 7.1.9 subject to the Perfection Requirements, this Pledge creates those security interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

7.2 Repetition

The representations and warranties set out in Clause 7.1 (*Representations and warranties*) shall be given on the date of this Pledge and shall be deemed to be

repeated on each date on which the representations and warranties set out in clause 17 (*Representations*) of the Facility Agreement are deemed to be repeated by reference to the facts and circumstances then subsisting.

8. UNDERTAKINGS

The Chargor shall:

- 8.1.1 provide the Security Agent with such information relating to the business of the Chargor, its financial condition and the Charged Assets as the Security Agent may reasonably require from time to time;
- 8.1.2 instruct the Account Bank to provide the Security Agent with such information relating to the Restricted Accounts as the Security Agent may reasonably require from time to time; and
- 8.1.3 comply with all laws, statutes and regulations which are applicable to it and obtain, effect, comply with and maintain in full force and effect all registrations, licences, consents, authorisations and exemptions required in each case for the performance, validity and enforceability of this Pledge and any document entered into pursuant to this Pledge.

9. WHEN SECURITY BECOMES ENFORCEABLE

The security created by this Pledge will become immediately enforceable upon the occurrence of an Enforcement Event.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement

After the security created by this Pledge has become enforceable in accordance with Clause 9 (*When security becomes enforceable*), the Security Agent may in its absolute discretion

- 10.1.1 enforce all or any part of the security created by this Pledge in any manner it sees fit and may without prior notice to the Chargor:
 - (a) exercise a right of set-off, compensation or retention in respect of all or any amounts now or at any time hereafter standing to the credit of any Restricted Account against; and/or
 - (b) apply or require the Account Bank to apply all or any amounts now or at any time hereafter standing to the credit of any Restricted Account in satisfaction of,

all or any amounts which may now or at any time hereafter be due and payable by any Transaction Obligor to the Finance Parties (or any of them) in respect of the Secured Liabilities;

10.1.2 If the amounts referred to in Clause 10.1.1 are in different currencies, convert or require the Account Bank to convert any such amount at its spot rate of exchange for the purposes of exercising Security Agent's rights under that Clause;

10.1.3 exercise all the rights and powers relating to the Charged Assets and generally act in relation to the Charged Assets in such manner as the Security Agent may determine as if it were the absolute owner thereof.

10.2 **Preservation of rights conferred by law**

The rights conferred by Clause 10.1 (*Enforcement*) shall be in addition to, and independent of, any lien, right of retention, compensation or set-off conferred by law.

10.3 **Protection of third parties**

10.4 Neither the Account Bank nor any other person dealing with, the Security Agent shall be concerned to enquire whether any of the powers exercised or purported to be exercised has arisen or become exercisable, whether any of the Secured Liabilities remains outstanding, whether the Security Agent is authorised to act or as to the propriety or validity of the exercise or purported exercise of any power and a certificate in writing by an officer or agent of the Security Agent of that fact shall be conclusive evidence of that fact in favour of any person dealing with the Security Agent.

10.5 The receipt of the Security Agent shall be an absolute discharge to the Account Bank or other person dealing with the Security Agent and shall relieve the Account Bank or other person of any obligation to see to the application of any monies paid to or at the discretion of Security Agent.

10.6 **Protection of the Security Agent**

The Security Agent shall not be liable to the Chargor in respect of any loss or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of its powers or for any other loss of any nature whatsoever, other than in cases of fraud or wilful misconduct.

10.7 Delegation

10.7.1 The Security Agent may from time to time delegate by power of attorney or otherwise to any person or corporation any of the powers and discretions of the Security Agent under this Pledge whether arising by statute, the provisions hereof or otherwise upon such terms and for such periods of time as it may think fit and may determine any such delegation.

10.7.2 The Security Agent will not be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate and references in this Pledge to the Security Agent will where the context so admits include references to any delegates so appointed, other than in cases of fraud or wilful misconduct.

11. SET OFF

A Secured Party may set-off any matured obligation due from the Chargor under the Finance Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

12. EXPENSES AND INDEMNITY

12.1 Expenses

The Chargor shall pay to the Security Agent and each attorney or delegate duly appointed by the Security Agent under this Pledge the amount of all costs and expenses (including legal fees and together with any applicable value added tax) incurred by it in connection with:

12.1.1 the perfection of any security created or purported to be created pursuant to this Pledge; and

12.1.2 the enforcement and preservation of its rights under this Pledge.

12.2 Indemnity

12.2.1 The Chargor shall indemnify the Security Agent from and against all losses, costs, expenses, claims, demands and liabilities whether in contract, delict, tort or otherwise (together with any applicable value added tax) incurred by the Security Agent or by any employee, agent or delegate of the Security Agent in connection with anything done or omitted under

this Pledge or any other document relating to it, or in the exercise or attempted or purported exercise of the powers contained in this Pledge or occasioned by any breach by the Chargor of any of its undertakings or other obligations to the Security Agent, or in consequence of any payment in respect of the Secured Liabilities (whether made by the Chargor or a third person) being declared void or impeached for any reason.

12.2.2 The Security Agent may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

12.2.3 Nothing in this Clause 12.2 shall entitle the Security Agent or any other person to indemnification in respect of matters of fraud or wilful misconduct by the Security Agent or by any employee, agent or delegate of the Security Agent.

13. RELEASE OF SECURITY

13.1 Release of security

When the Secured Liabilities have been irrevocably paid or discharged in full to the satisfaction of the Security Agent and no Finance Party has any further obligation to provide credit facilities or other accommodation to any Transaction Obligor or, if the Security Agent so agrees, at any other time, the Security Agent shall, subject to the provisions of Clause 14 (*Avoidance of Payments*), at the request and cost of the Chargor, execute such documents as may be required to release this Pledge and any other security created over the Charged Assets by this Pledge.

13.2 Entitlement to retain security

If any payment or discharge of the Secured Liabilities is, in the reasonable opinion of the Security Agent, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Security Agent may refuse to grant any release of the security created by this Pledge for such further period as the risk of such avoidance or invalidity continues.

14. AVOIDANCE OF PAYMENTS

No assurance, security or payment which may be avoided or adjusted under the law, including under any statute relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Security Agent on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Security Agent to recover the Secured Liabilities from the Chargor (including any monies which any Finance Party may be compelled to pay or refund under the

provisions of the Insolvency Act and any costs payable by it pursuant to or otherwise incurred in connection therewith) and enforce the charges contained in this Pledge to the full extent of the Secured Liabilities.

15. CUMULATIVE REMEDIES AND WAIVERS

The rights of the Security Agent may be exercised as often as necessary, are cumulative and are in addition to its respective rights under general law and may be waived only in writing and specifically. Delay in the exercise or non-exercise of any right shall not be a waiver of that right.

16. SEVERABILITY

If any of the provisions of this Pledge is or becomes invalid, illegal or unenforceable that shall not affect the validity, legality and enforceability of any other provision in this Pledge.

17. EVIDENCE AND CALCULATIONS

Any certificate or determination by the Security Agent as to the amount of the Secured Liabilities shall, in the absence of manifest error, be conclusive and binding on the Chargor for all purposes.

18. APPLICATION OF PROCEEDS

18.1 Application of proceeds

Any moneys received by the Security Agent after the security created by this Pledge has become enforceable in accordance with Clause 8 (*When security becomes enforceable*) shall be applied in the following order of priority:

18.1.1 in or towards payment of or provision for all costs and expenses (including legal fees and any fees, costs and expenses arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise) incurred by the Security Agent under or in connection with this Pledge;

18.1.2 in or towards payment of or provision for the Secured Liabilities; and

18.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

18.2 Other claims

The provisions of Clause 18.1 (*Application of Proceeds*) are subject to the payment of any claims having priority over the security created by this Pledge. This Clause

does not prejudice the right of any Finance Party to recover any shortfall from the Chargor.

19. NEW ACCOUNTS

19.1 New Accounts

If the Security Agent at any time becomes aware of any subsequent security or other like interest, matter, event or transaction affecting any Charged Asset, the Security Agent may open a new account or accounts for the Chargor in its books.

19.2 Ruling off

If the Security Agent does not open any such new account then, unless it gives express written notice to the Chargor to the contrary, the Security Agent will be treated as if it had in fact opened such account or accounts at the time when it became so aware and as from that time all payments by or on behalf of the Chargor to the Security Agent will be credited or treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities then outstanding.

20. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Pledge (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Security Agent may think fit pending their application from time to time (as the Security Agent is entitled to do in its discretion until such time as the Security Agent holds sufficient funds to discharge the Secured Liabilities in full) in or towards the discharge of any of the Secured Liabilities and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

21. POWER OF ATTORNEY

21.1 Appointment and powers

By way of security for the obligations of the Chargor under this Pledge, the Chargor irrevocably appoints the Security Agent to be its attorney on its behalf or in its name or otherwise to execute and do all such assurances, acts and things which the Chargor is required to do under this Pledge and generally in its name and on its behalf to exercise all or any of the powers, conferred by or pursuant to this Pledge

or by statute on the Security Agent and to sign, execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may reasonably deem proper in or for the purpose of exercising any such powers, authorities and discretions.

21.2 Ratification

The Chargor ratifies and confirms whatever any such attorney mentioned in Clause 21.1 (*Appointment and powers*) shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such Clause.

22. TRANSFERS

22.1 Transfer by Chargor

The Chargor may not assign or otherwise transfer its rights and obligations under this Pledge.

22.2 Transfer by Security Agent

The Security Agent may (without prejudice to its right to appoint any joint trustee) assign and transfer all or any of its rights and obligations under this Pledge to any person appointed as its successor as Security Agent (or any joint trustee). The Security Agent shall be entitled to disclose such information concerning the Chargor and this Pledge as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

23. NOTICES

Any communication to be made under or in connection with this Pledge shall be made in accordance with clause 31 (*Notices*) of the Facility Agreement.

24. FINANCIAL COLLATERAL

24.1 Right to appropriate

To the extent that the Charged Assets constitute "financial collateral" and this Pledge and the obligations of the Chargor constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**")) the Security Agent shall have the right after the security created by this Pledge has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

24.2 Value of financial collateral

For the purpose of Clause 24.1 (*Right to appropriate*), the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it and the Chargor agrees that the method of valuation provided for in this Pledge shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

25. REGISTRATION

The Chargor consents to the registration of this Pledge for preservation.

26. COUNTERPARTS

This Pledge may be executed in any number of counterparts, and on such execution, the counterparts shall be treated as a single document pursuant to the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015.

27. GOVERNING LAW AND JURISDICTION

27.1 Governing law

This Pledge shall be governed by, and construed in accordance with, the laws of Scotland.

27.2 Jurisdiction

27.2.1 The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Pledge (including a dispute regarding the existence, validity or termination of this Pledge) (a "Dispute").

27.2.2 The parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

27.2.3 This Clause 27.2 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF this Pledge consisting of this and the preceding 17 pages together with the Schedule is executed as follows:

Chargor

ARGON DEVELOPMENTS (NORTH) LIMITED

by WILLIAM HILL Director
(Print Full Name)

..... Director
(Signature)

at GLASGOW

on 23 September 2016

before this witness

..... Witness

ALAN McEOD CASSEY Full Name

..... Address
Pinsent Masons LLP
141 Bothwell Street
Glasgow G2 7EQ
Tel No: 0141 567 8400

Security Agent

Executed for and on behalf of
BANK OF SCOTLAND PLC as Security Agent

by LYNN KENNIE Authorised Signatory
 (Print Full Name)

..... Authorised Signatory
 (Signature)

at EDINBURGH

on 22ND SEPTEMBER 2016

before this witness

..... Witness

SHENA CHRISTINE HAMILTON
 (Print Full Name)

LYONS BANKING GROUP
 (Address)

NEW UBERTON HOUSE
 Date of delivery: EDINBURGH

27 September 2016

THIS IS THE SCHEDULE REFERRED TO IN THE PLEDGE GRANTED BY ARGON
DEVELOPMENTS (NORTH) LIMITED IN FAVOUR OF BANK OF SCOTLAND DATED
2016

THE SCHEDULE**PART 1****Restricted Accounts**

Restricted Account Name	Account Number	Sort Code
Deposit Account	10250568	80-20-00
Disposals Account	10250664	80-20-00
Rent Account	10250461	80-20-00
Cure Account	10256062	80-20-00

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PART 2

Notice of pledge of Restricted Accounts

To: [Account Bank]

Copy:

[Date]

Dear Sirs,

We give you notice that, by a Pledge dated [●] 2016, we pledged to Bank of Scotland plc (the "Security Agent") all our rights in respect of any amount standing to the credit of the accounts maintained by us with you as undernoted to this letter (each a Restricted Account) and the debt represented by it.

We irrevocably instruct and authorise you to:

1. disclose to the Security Agent any information relating to a Restricted Account requested from you by the Security Agent;
2. comply with the terms of any written notice or instruction relating to a Restricted Account received by you from the Security Agent;
3. hold all sums standing to the credit of each Restricted Account (including interest accrued on that Restricted Account) to the order of the Security Agent; and
4. pay or release any sum standing to the credit of a Restricted Account in accordance with the written instructions of the Security Agent .

We are not permitted to withdraw any amount from a Restricted Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter is governed by and will be construed in accordance with the laws of Scotland.

Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Security Agent with a copy to ourselves.

Yours faithfully

For and on behalf of

ARGON DEVELOPMENTS (NORTH) LIMITED

1. Deposit Account *[insert details]*
2. Disposals Account *[insert details]*
3. Rent Account *[insert details]*
4. Cure Account *[insert details]*

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PART 3

Acknowledgement of Pledge of Restricted Accounts

To: Bank of Scotland plc
as Security Agent

[Date]

Dear Sirs

We confirm receipt from Argon Developments (North) Limited (the "**Chargor**") of a notice dated [●] 2016 of a Pledge dated [●] 2016 in favour of Bank of Scotland plc (the "**Security Agent**") over all the rights of the Chargor to any amount standing to the credit of its accounts with us (each a Restricted Account) and the debt represented by it.

We confirm that we:

1. accept the instructions contained in the notice and agree to comply with the notice;
2. have not received notice of the interest of any third party in any Restricted Account;
3. have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Restricted Account; and
4. will not permit any amount to be withdrawn from any Restricted Account without your prior written consent.

This letter is governed by and will be construed in accordance with the laws of Scotland.

Yours faithfully,

.....
(Authorised signatory)

[Account Bank]