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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

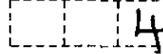
Please complete legibly, preferably in black type, or bold block lettering

* insert full name of company

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

For official use

Company number



SC454219

Name of company

* 36Five A Side Limited

Date of creation of the charge (note 1)

18 March 2021

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

Bond and Floating Charge

Names of the persons entitled to the charge

SCOTTISH ENTERPRISE

Short particulars of all the property charged

The whole property (including uncalled capital) of the Company.

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

CED/SCO92.326
Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

For official use (02/06)

Charges Section

Post room

TUESDAY



SA2CDYBM

SCT

13/04/2021

#177

COMPANIES HOUSE

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

1. BANK OF SCOTLAND PLC registered in Scotland (registered number SC327000) having its registered office at The Mound, Edinburgh EH1 1YZ ("BoS"); 2. SCOTTISH ENTERPRISE established under the Enterprise and New Towns (Scotland) Act 1990 and having its principle place of business at Atrium Court, Waterloo Street, Glasgow G2 6HQ ("Subordinated Creditor"); and 3. (i) Jack James Group Limited registered in Scotland (registered number SC530478); (ii) Sportex Group Limited registered in Scotland (registered number SC266140) and (iii) 36Five A Side Ltd registered in Scotland (registered number SC454219) each having its registered office at 13-17 Abbotsinch Road, Grangemouth, Scotland FK3 9UX (together the "Companies")

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

Date(s) of execution of the instrument of alteration

18 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

Clause 4. Undertakings of Group Companies

During the Security Period, no Group Company will (and the Subordinated Creditor will not require any Group Company to):-

4.1. create or permit to subsist any Security Right (other than a Permitted Security Right) over any of its assets for all or part of the Subordinated Debt or any guarantee (or other assurance against financial loss) for or in respect of all or any part of the Subordinated Debt, in either case other than by the security conferred by the Subordinated Security Documents;

See Page Apart for Definitions.

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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this margin*

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

3. Ranking of Security

3.1. BoS and the Subordinated Creditor agree and the Group Companies acknowledge that the BoS Security Documents and the Subordinated Security Documents shall rank on the assets thereby secured and on the proceeds thereof as follows:-

3.1.1. in respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of Jack James Group Limited:

- (i) the JJGL BoS Floating Charge shall rank prior and preferably to the JJGL Subordinated Floating Charge in point of priority in all respects, to the extent of the BoS Priority Debt; and
- (ii) after the prior ranking provided for in clause 3.1.1.(i) has been satisfied, the JJGL Subordinated Floating Charge shall rank prior and preferably to the JJGL BoS Floating Charge, to the extent of the SE Priority Debt; and
- (iii) after the prior ranking provided for in clauses 3.1.1.(i) and 3.1.1(ii) has been satisfied, the JJGL BoS Floating Charge shall rank prior and preferably to the JJGL Subordinated Floating Charge in point of priority to an unlimited extent; and
- (iv) after the prior ranking provided for in clauses 3.1.1.(i), 3.1.1.(ii) and 3.1.1.(iii) has been satisfied, the JJGL Subordinated Floating Charge shall rank on the assets thereby secured;

3.1.2. in respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of Sportex Group Limited:

- (i) the SGL BoS Floating Charge shall rank prior and preferably to the SGL Subordinated Floating Charge in point of priority in all respects, to the extent of the BoS Priority Debt; and
- (ii) after the prior ranking provided for in clause 3.1.2.(i) has been satisfied, the SGL Subordinated Floating Charge shall rank prior and preferably to the SGL BoS Floating Charge, to the extent of the SE Priority Debt; and
- (iii) after the prior ranking provided for in clauses 3.1.2.(i) and 3.1.2(ii) has been satisfied, the SGL BoS Floating Charge shall rank prior and preferably to the SGL Subordinated Floating Charge in point of priority to an unlimited extent; and
- (iv) after the prior ranking provided for in clauses 3.1.2.(i), 3.1.2.(ii) and 3.1.2.(iii) has been satisfied, the SGL Subordinated Floating Charge shall rank on the assets thereby secured;

3.1.3. in respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of 36Five A Side Limited:

- (i) the BoS Fixed Charge shall rank prior and preferably to each of the 36FAS BoS Floating Charge and the 36FAS Subordinated Security Documents in point of priority in all respects, to the extent of the BoS Priority Debt; and
- (ii) after the prior ranking provided for in clause 3.1.3.(i) above, the 36FAS BoS Floating Charge shall rank prior and preferably to the 36FAS Subordinated Security Documents in point of priority, to the extent of the BoS Priority Debt remaining outstanding after the prior ranking provided for in clause 3.1.3 (i); and
- (iii) upon the satisfaction in full of the prior ranking provided for in clauses 3.1.3.(i) and 3.1.3.(ii) above, the 36FAS Subordinated Fixed Charge shall rank prior and preferably to the 36FAS Subordinated Floating Charge, the BoS Fixed Charge and the 36FAS BoS Floating Charge to the extent of the SE Priority Debt; and
- (iv) upon the satisfaction of the prior ranking provided for in clauses 3.1.3.(i) to 3.1.3(iii) (inclusive) above, the 36FAS Subordinated Floating Charge shall rank prior and preferably to the BoS Fixed Charge and the 36FAS BoS Floating Charge to the extent of any SE Priority Debt remaining outstanding after the prior ranking provided for in clause 3.1.3(iii); and
- (v) upon the satisfaction of the prior ranking provided for in clauses 3.1.3(i) to 3.1.3(iv) (inclusive) above, the BoS Fixed Charge and the 36FAS BoS Floating Charge shall rank together on the assets thereby secured and ahead of the 36FAS Subordinated Security Documents in point of priority, to an unlimited extent; and
- (vi) upon the satisfaction of the prior ranking provided for in clauses 3.1.3(i) to 3.1.3(v) (inclusive) above, the 36FAS Subordinated Security Documents shall rank together on the assets thereby secured to an unlimited extent.

Continuation of the 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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3.2. The Subordinated Creditor agrees that during the Security Period documents of title to the property and assets charged by the Subordinated Security Documents shall be held by BoS and may be dealt with by BoS without reference to or consent of the Subordinated Creditor. BoS agrees to deliver all such documents to the Subordinated Creditor or other person entitled to them at the end of the Security Period.

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

3.3. Subject to the provisions of this Agreement, the BoS Security Documents and the Subordinated Security Documents shall rank as continuing security for the payment and discharge of all the liabilities and obligations the payment and/or discharge of which are thereby secured and shall not be affected by any fluctuation in the moneys, obligations and liabilities from time to time due, owing or incurred to BoS or by the existence at any time of a credit balance on any current or other account of all or any of the Group Companies with BoS.

3.4. Moneys received by any administrator, administrative receiver, receiver and/or manager appointed under the BoS Security Documents or from realisation of the security conferred by the BoS Security Documents or otherwise shall be applied in the order set out in clause 12 of this Agreement.

3.5. Each of BoS and the Subordinated Creditor hereby consents to the creation of the security conferred by the BoS Security Documents and the Subordinated Security Documents.

3.6. The Subordinated Creditor will not in any circumstances be subrogated to any of the rights of BoS (whether by way of security, guarantee or otherwise) under the BoS Documents.

See Page Apart for Definitions.

Signed MPG Date 13 APRIL 2021

On behalf of ~~[company]~~ [chargee]

Notes

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

This is the Paper Apart referred to in the foregoing Form 466 (Scotland) in respect of 36FIVE A SIDE LIMITED

Definitions

"36FAS BoS Floating Charge" means the bond and floating charge granted by 36Five A Side Limited in favour of BoS on 14 August 2014 and registered at Companies House on 29 August 2014;

"36FAS Subordinated Fixed Charge" means the standard security granted or to be granted by 36Five A Side Limited in favour of the Subordinated Creditor over the Property and dated on or around the date of the Agreement;

"36FAS Subordinated Floating Charge" means the bond and floating charge granted or to be granted by 36Five A Side Limited in favour of the Subordinated Creditor on or around the date of the Agreement;

"36FAS Subordinated Security Documents" means the 36FAS Subordinated Floating Charge and the 36FAS Subordinated Fixed Charge;

"Accession Agreement" means an accession agreement in favour of BoS substantially in the form set out in Part 2 of the Schedule of the Agreement (or in such other form as BoS shall approve in writing);

"Agreement" means the Intercreditor Agreement among Bank of Scotland plc, Scottish Enterprise, Sportex Group Limited, Jack James Group Limited and 36Five A Side Limited dated 18 March 2021.

"BoS Debt" means all or any monies and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to BoS by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not BoS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which BoS may in the course of its business charge or incur in respect of any of those matters or for keeping the Group Companies' accounts, and so that interest shall be computed and compounded according to the usual BoS rates and practice as well after as before any demand made or decree obtained;

"BoS Documents" means the BoS Facility Letters and the BoS Security Documents;

"BoS Facility Letters" means each of the:

- (a) the business loan agreement dated 16 and 19 January 2015 between BoS and 36Five A Side Limited in relation to the term loan facilities of £220,000 (as amended, restated, supplemented, novated or replaced from time to time);
- (b) the business loan agreement dated 16 and 19 January 2015 between BoS and 36Five A Side Limited in relation to the term loan facilities of £220,000 (as amended, restated, supplemented, novated or replaced from time to time; and
- (c) the loan agreement dated 20 March 2018 between BoS and 36Five A Side Limited in relation to the term loan facilities of which £103,184 remains outstanding by way of principal as at the date of the Agreement (as amended, restated, supplemented, novated or replaced from time to time;

"BoS Fixed Charge" means the standard security by 36Five A Side Limited in favour of BoS over the Property dated 14 August 2014 and registered in the Land Register of Scotland on 8 September 2014 and registered at Companies House on 12 September 2014;

"BoS Guarantee" means the corporate guarantee entered into or to be entered into

by the Group Companies and Technical Surfaces Limited in favour of BoS on or around the date of the Agreement;

"BoS Priority Debt" means BoS Debt in an amount of up to £450,000 together with the amount which is equal to one year's interest on that amount and all commission, charges, fees, costs and expenses incurred in connection with it;

"BoS Security Documents" means the BoS Fixed Charge, the JJGL BoS Floating Charge, the SGL BoS Floating Charge, the 36FAS BoS Floating Charge, the BoS Guarantee and all fixed and floating charges and other security and all collateral or substituted securities for the time being held by BoS and given by the Group Companies (or any of them) as security for the payment and/or discharge of the BoS Debt;

"Enforcement Action" means any action whatsoever to:

- (a) demand payment of, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand, all or any part of the *Subordinated Debt*;
- (b) recover all or any part of the *Subordinated Debt* (including, without limitation, by exercising any right of set-off or combination of accounts);
- (c) exercise or enforce any security right or rights against guarantors or sureties or any other rights under any other document or agreement in relation to (or given in support of) all or any part of the *Subordinated Debt* (including, without limitation, under the *Subordinated Security Documents*);
- (d) petition for (or take any other steps or action which may lead to) an *Insolvency Event* in relation to any Group Company;
- (e) commence legal proceedings against any Group Company;

"Event of Default" has the definition given in the BoS Facility Letters;

"Group Companies" means together Sportex Group Limited, 36Five a Side Limited and Jack James Group Limited. Each of which individually being a **"Group Company"**.

"Insolvency Event" means:

- (a) any application, notice, resolution or order is made, passed or given for or in connection with the winding up, liquidation, dissolution, administration or reorganisation of any Group Company;
- (b) any Group Company becomes subject to any insolvency, reorganisation, receivership (whether relating to all or some only of its assets), liquidation, dissolution or other similar proceedings, whether voluntary or involuntary and whether or not involving insolvency;
- (c) any Group Company assigns all or any of its assets for the benefit of its creditors generally (or any class thereof) or enters into any composition or arrangement with its creditors generally or any arrangement is ordered or declared by a court of competent jurisdiction whereby all or any of its affairs and/or assets are submitted to the control of, or are protected from, its creditors;
- (d) any Group Company becomes subject to any distribution of its assets in consequence of insolvency, reorganisation, liquidation, dissolution or administration; or
- (e) any event analogous to any of the foregoing shall occur in relation to any Group Company or any of its assets in any jurisdiction;

"JJGL BoS Floating Charge" means the bond and floating charge granted by Jack James Group Limited in favour of BoS dated 3 May 2016 and registered with Companies House on 13 May 2016;

"JJGL Subordinated Floating Charge" means the bond and floating charge granted or to be granted by Jack James Group Limited in favour of the *Subordinated Creditor* on or around the date of the Agreement;

"Permitted Payments" means the payments in respect of the Subordinated Debt which may be paid by a Group Company in accordance with Clause 6 of the Agreement;

"Permitted Security Right" means:

- (a) the cross guarantee entered into or to be entered into between the Group Companies and Technical Surfaces Limited in favour of the Subordinated Creditor on or around the date of the Agreement; and
- (b) the debenture between Technical Surfaces Limited and the Subordinated Creditor dated on or around the date of the Agreement;

"Potential Event of Default" has the definition given in the BoS Facility Letters;

"Property" means ALL and WHOLE the subjects at Houston Road Industrial Estate, Livingston otherwise known as 22 Shairps Business Centre, Houston Road, Livingston registered in the Land Register of Scotland under title number WLN34755;

"SE Priority Debt" means Subordinated Debt in an amount of up to £800,000 together with one year's interest on that amount and all commission, charges, fees, costs and expenses incurred in connection with it;

"Security Documents" means the BoS Security Documents and the Subordinated Security Documents;

"Security Right" has the definition given in the BoS Facility Letters;

"SGL BoS Floating Charge" means the bond and floating charge granted by Sportex Group Limited in favour of BoS dated 7 June 2005 and registered with Companies House on 13 June 2005;

"SGL Subordinated Floating Charge" means the bond and floating charge granted or to be granted by Sportex Group Limited in favour of the Subordinated Creditor and dated on or around the date of the Agreement;

"Security Period" means the period from the date of the Agreement to the date on which the BoS Debt is repaid in full and no commitment by BoS to provide facilities to all or any of the Group Companies remains in effect;

"Subordinated Debt" means all present and future sums, liabilities and obligations (whether actual and contingent, present or future) payable or owing by the Group Companies or any of them to the Subordinated Creditor under the Subordinated Documents;

"Subordinated Documents" means the Subordinated Loan Agreement and the Subordinated Security Documents;

"Subordinated Guarantee" means the cross guarantee entered into or to be entered into by each of Sportex Group Limited, Jack James Group Limited and 36Five A Side Limited in favour of the Subordinated Creditor and dated on or around the date of this Agreement and to which Technical Surfaces Limited will accede after completion of the acquisition referred to in clause 1 of the Agreement;

"Subordinated Loan Agreement" means the loan agreement comprised of Scottish Enterprise Standard Loan Terms and Conditions and the loan confirmation between Sportex Group Limited and the Subordinated Creditor dated on or around the date of the Agreement; and

"Subordinated Security Documents" means the JJGL Subordinated Floating Charge, the SGL Subordinated Floating Charge, each of the 36FAS Subordinated Security Documents, the Subordinated Guarantee and all collateral, additional or

substituted securities for the time being held by the Subordinated Creditor and given by the Group Companies (or any of them) as security for the payment and discharge of any part of the Subordinated Debt.



FILE COPY

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

**COMPANY NO. 454219
CHARGE CODE SC45 4219 0004**

**I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 18 MARCH 2021 WERE DELIVERED
PURSUANT TO SECTION 466 OF THE COMPANIES ACT 1985
ON 13 APRIL 2021**

**THE INSTRUMENT RELATES TO A CHARGE CREATED ON 18
MARCH 2021**

BY 36FIVE A SIDE LTD

**IN FAVOUR OF
SCOTTISH ENTERPRISE**

GIVEN AT COMPANIES HOUSE, EDINBURGH 16 APRIL 2021

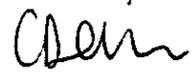


Companies House



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

Classification: Public



.....
Brodies LLP
Solicitors

BANK OF SCOTLAND

Date: 1 April 2021
Ref: SCO92.326

INTER CREDITOR AGREEMENT

between

BANK OF SCOTLAND PLC

SCOTTISH ENTERPRISE

JACK JAMES GROUP LIMITED

SPORTEX GROUP LIMITED

and

36FIVE A SIDE LIMITED

Date of delivery: **18 March** 2021

IMPORTANT NOTICE: We recommend that you consult your solicitor or other independent legal adviser before executing this document.

INTERCREDITOR AGREEMENT

This **INTERCREDITOR AGREEMENT** is entered into between:

- (1) **BANK OF SCOTLAND PLC** (Company Number SC327000) having its registered office at The Mound, Edinburgh EH1 1YZ ("BoS");
- (2) **SCOTTISH ENTERPRISE**, established under the Enterprise and New Towns (Scotland) Act 1990 and having its principal place of business at Atrium Court, 50 Waterloo Street, Glasgow G2 6HQ (the "Subordinated Creditor"); and
- (3) **THE COMPANIES** listed in Part 1 of the Schedule (together the "Group Companies" and each a "Group Company").

NOW IT IS AGREED as follows:-

1. Purpose of this Agreement

- 1.1. BoS is current lender to 36Five A Side Limited pursuant to the BoS Facility Letters. The Group Companies are party to the BoS Guarantee in support of 36Five A Side Limited's obligations to BoS under the BoS Facility Letters.
- 1.2. Technical Surfaces Limited has become or is about to become a subsidiary of Jack James Group Limited pursuant to an acquisition scheduled to close on or around the date of this Agreement.
- 1.3. The Subordinated Creditor has agreed to provide facilities to Sportex Group Limited and Sportex Group Limited has agreed to on-lend monies borrowed from the Subordinated Creditor to Jack James Group Limited to assist with the financing of the proposed acquisition.
- 1.4. BoS and the Subordinated Creditor enter into this Agreement in order to regulate their rights under the BoS Documents and the Subordinated Documents (as the case may be) as set out in this Agreement.
- 1.5. The Group Companies enter into this Agreement to acknowledge and agree the arrangements between themselves, BoS and the Subordinated Creditor and none of the undertakings given in this Agreement are given to or enforceable by any Group Company.

2. Ranking of Debt

- 2.1. BoS and the Subordinated Creditor hereby agree, and each of the Group Companies acknowledges, that:
 - 2.1.1. the BoS Debt shall rank for all purposes and at all times ahead of the Subordinated Debt, to the extent of the BoS Priority Debt;
 - 2.1.2. after the BoS Priority Debt has been satisfied in full, the Subordinated Debt shall rank ahead of the BoS Debt then remaining outstanding for all purposes and at all times, to the extent of the SE Priority Debt; and
 - 2.1.3. after the BoS Priority Debt and the SE Priority Debt have been

satisfied in full, the BoS Debt then remaining outstanding shall rank for all purposes and at all times ahead of the Subordinated Debt, without limit.

3. Ranking of Security

3.1. BoS and the Subordinated Creditor agree and the Group Companies acknowledge that the BoS Security Documents and the Subordinated Security Documents shall rank on the assets thereby secured and on the proceeds thereof as follows:-

3.1.1. In respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of Jack James Group Limited:

- (i) the JJGL BoS Floating Charge shall rank prior and preferably to the JJGL Subordinated Floating Charge in point of priority in all respects, to the extent of the BoS Priority Debt; and
- (ii) after the prior ranking provided for in clause 3.1.1.(i) has been satisfied, the JJGL Subordinated Floating Charge shall rank prior and preferably to the JJGL BoS Floating Charge, to the extent of the SE Priority Debt; and
- (iii) after the prior ranking provided for in clauses 3.1.1.(i) and 3.1.1.(ii) has been satisfied, the JJGL BoS Floating Charge shall rank prior and preferably to the JJGL Subordinated Floating Charge in point of priority to an unlimited extent; and
- (iv) after the prior ranking provided for in clauses 3.1.1.(i), 3.1.1.(ii) and 3.1.1.(iii) has been satisfied, the JJGL Subordinated Floating Charge shall rank on the assets thereby secured;

3.1.2. In respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of Sportex Group Limited:

- (i) the SGL BoS Floating Charge shall rank prior and preferably to the SGL Subordinated Floating Charge in point of priority in all respects, to the extent of the BoS Priority Debt; and
- (ii) after the prior ranking provided for in clause 3.1.2.(i) has been satisfied, the SGL Subordinated Floating Charge shall rank prior and preferably to the SGL BoS Floating Charge, to the extent of the SE Priority Debt; and
- (iii) after the prior ranking provided for in clauses 3.1.2.(i) and 3.1.2.(ii) has been satisfied, the SGL BoS Floating Charge shall rank prior and preferably to the SGL Subordinated Floating Charge in point of priority to an unlimited extent; and
- (iv) after the prior ranking provided for in clauses 3.1.2.(i), 3.1.2.(ii) and 3.1.2.(iii) has been satisfied, the SGL Subordinated Floating Charge shall rank on the assets thereby secured;

3.1.3. In respect of the BoS Security Documents and the Subordinated Security Documents which secure assets of 36Five A Side Limited:

- (i) the BoS Fixed Charge shall rank prior and preferably to each

of the 36FAS BoS Floating Charge and the 36FAS Subordinated Security Documents in point of priority in all respects, to the extent of the BoS Priority Debt; and

- (ii) after the prior ranking provided for in clause 3.1.3.(i) above, the 36FAS BoS Floating Charge shall rank prior and preferably to the 36FAS Subordinated Security Documents in point of priority, to the extent of the BoS Priority Debt remaining outstanding after the prior ranking provided for in clause 3.1.3(i); and
 - (iii) upon the satisfaction in full of the prior ranking provided for in clauses 3.1.3.(i) and 3.1.3.(ii) above, the 36FAS Subordinated Fixed Charge shall rank prior and preferably to the 36FAS Subordinated Floating Charge, the BoS Fixed Charge and the 36FAS BoS Floating Charge to the extent of the SE Priority Debt; and
 - (iv) upon the satisfaction of the prior ranking provided for in clauses 3.1.3.(i) to 3.1.3.(iii) (inclusive) above, the 36FAS Subordinated Floating Charge shall rank prior and preferably to the BoS Fixed Charge and the 36FAS BoS Floating Charge to the extent of any SE Priority Debt remaining outstanding after the prior ranking provided for in clause 3.1.3.(iii); and
 - (v) upon the satisfaction of the prior ranking provided for in clauses 3.1.3.(i) to 3.1.3.(iv) (inclusive) above, the BoS Fixed Charge and the 36FAS BoS Floating Charge shall rank together on the assets thereby secured and ahead of the 36FAS Subordinated Security Documents in point of priority, to an unlimited extent; and
 - (vi) upon the satisfaction of the prior ranking provided for in clauses 3.1.3.(i) to 3.1.3.(v) (inclusive) above, the 36FAS Subordinated Security Documents shall rank together on the assets thereby secured to an unlimited extent.
- 3.2. The Subordinated Creditor agrees that during the Security Period documents of title to the property and assets charged by the Subordinated Security Documents shall be held by BoS and may be dealt with by BoS without reference to or consent of the Subordinated Creditor. BoS agrees to deliver all such documents to the Subordinated Creditor or other person entitled to them at the end of the Security Period.
- 3.3. Subject to the provisions of this Agreement, the BoS Security Documents and the Subordinated Security Documents shall rank as continuing security for the payment and discharge of all the liabilities and obligations the payment and/or discharge of which are thereby secured and shall not be affected by any fluctuation in the moneys, obligations and liabilities from time to time due, owing or incurred to BoS or by the existence at any time of a credit balance on any current or other account of all or any of the Group Companies with BoS.
- 3.4. Moneys received by any administrator, administrative receiver, receiver and/or manager appointed under the BoS Security Documents or from realisation of the security conferred by the BoS Security Documents or otherwise shall be applied in the order set out in clause 12 of this Agreement.
- 3.5. Each of BoS and the Subordinated Creditor hereby consents to the creation

of the security conferred by the BoS Security Documents and the Subordinated Security Documents.

- 3.6. *The Subordinated Creditor will not in any circumstances be subrogated to any of the rights of BoS (whether by way of security, guarantee or otherwise) under the BoS Documents.*

4. Undertakings of Group Companies

During the Security Period, no Group Company will (and the Subordinated Creditor will not require any Group Company to):-

- 4.1. create or permit to subsist any Security Right (other than a Permitted Security Right) over any of its assets for all or part of the Subordinated Debt or any guarantee (or other assurance against financial loss) for or in respect of all or any part of the Subordinated Debt, in either case other than by the security conferred by the Subordinated Security Documents;
- 4.2. pay, repay, prepay, redeem, purchase or otherwise discharge or release any of the Subordinated Debt other than in respect of any Permitted Payments in accordance with the terms of clause 6;
- 4.3. discharge any of the Subordinated Debt by set-off or any right of combination of accounts save only to the extent it may be required to do so or if the same occurs automatically by operation of law (but not, in either case, by reason of any contract or agreement);
- 4.4. give any financial support to any person to enable it to do any of the things referred to in clause 4.1 to 4.3 (inclusive) above;
- 4.5. take or omit to take any action whereby the ranking and/or subordination arrangements provided for herein in relation to the Subordinated Debt or any part thereof may be impaired or adversely affected;
- 4.6. change its business in any way which would result in it becoming a 'relevant financial institution' for the purposes of clause 2 of The Financial Services and Markets Act 2000 (Excluded Activities and Prohibitions) Order 2014. Each Group Company shall promptly provide BoS with copies of any information that BoS may from time to time reasonably request in connection with that Group Company's status in respect of this clause 4.6; or
- 4.7. carry on any business which would constitute 'excluded activities' in terms of Part 2 of the Financial Services and Markets Act 2000 (Excluded Activities and Prohibitions) Order 2014.

5. Undertakings of Subordinated Creditor

- 5.1. During the Security Period the Subordinated Creditor will not:-
 - 5.1.1. (except in respect of any Permitted Payment in accordance with the terms of clause 6) demand or accept payment, repayment, prepayment or any distribution in respect of, or on account of, any Subordinated Debt in cash or in kind or accelerate, declare payable on demand or enforce by execution or otherwise any principal, interest, cost or other sums in respect of the Subordinated Debt or part thereof;
 - 5.1.2. exercise any right of set-off, combination of accounts or lien or exercise or accept any transfer of rights, property or assets from any of the Group Companies (or any other source) in satisfaction of the

Subordinated Debt or part thereof;

- 5.1.3. claim or rank as a creditor in the insolvency, winding-up, bankruptcy or liquidation of any of the Group Companies, other than in accordance with clause 8;
 - 5.1.4. take, receive or permit to subsist any Security Right or any guarantee (or other assurance against financial loss) for, or in respect of, any Subordinated Debt, other than in terms of the Subordinated Security Documents;
 - 5.1.5. sell, transfer or otherwise dispose of any of the Subordinated Debt, other than in accordance with clause 14.4;
 - 5.1.6. take any Enforcement Action involving any Group Company, other than in terms of clause 7;
 - 5.1.7. take or omit to take any action whereby the ranking and/or subordination arrangements provided for herein in relation to the Subordinated Debt or any part thereof may be impaired or adversely affected;
 - 5.1.8. change its business in any way which would result in it becoming a 'relevant financial institution' for the purposes of clause 2 of The Financial Services and Markets Act 2000 (Excluded Activities and Prohibitions) Order 2014. The Subordinated Creditor shall promptly provide BoS with copies of any information that BoS may from time to time reasonably request in connection with the Subordinated Creditor's status in respect of this clause 5.1.8;
 - 5.1.9. ~~carry on any business which would constitute 'excluded activities'~~ in terms of Part 2 of the Financial Services and Markets Act 2000 (Excluded Activities and Prohibitions) Order 2014.
- 5.2. During the Security Period, BoS and the Subordinated Creditor undertake to each other that they shall comply with their respective obligations under this Agreement.

6. Permitted Payments

- 6.1. BoS agrees that each relevant Group Company indebted to the Subordinated Creditor may make repayments of principal and interest due thereon of the Subordinated Debt provided that no Event of Default has occurred and is continuing or would occur as a result of making the proposed payment.
- 6.2. A partial payment to the Subordinated Creditor may be made if and to the extent that such partial payment complies with the terms of clause 6.1.

7. Permitted Enforcement

- 7.1. Subject to clause 7.2 below, the Subordinated Creditor may not take any Enforcement Action prior to the end of the Security Period without the prior written consent of BoS.
- 7.2. The restriction in clause 7.1 will not apply to the Subordinated Creditor if:-
 - 7.2.1. BoS has enforced the security conferred by the BoS Security Documents (or any of them) other than by the exercise by BoS of any set-off or similar rights; or

- 7.2.2. a court makes a winding-up order or an order for the dissolution or liquidation of the relevant Group Company or a liquidator or an administrator or equivalent is appointed to the relevant Group Company, other than in any such case as a result of action taken by (or on behalf of) the Subordinated Creditor; or
- 7.2.3. BoS demands payment of or declares payable all or any part of the BoS Debt owed to it (other than any part of the BoS Debt repayable on demand); or
- 7.2.4. the Subordinated Creditor has provided BoS with not less than 28 days' prior written notice of its intention to take Enforcement Action and, on expiry of that 28 day period, BoS has not taken any Enforcement Action in relation to the BoS Security Documents.

8. Subordination on Insolvency

- 8.1. If an Insolvency Event occurs in respect of any Group Company during the Security Period then:-
 - (a) the Subordinated Debt will be postponed and subordinated to the BoS Debt and (if required by BoS but not otherwise unless permitted under clause 7.2.4) the Subordinated Creditor will file any proof or other claim necessary for the recovery of the Subordinated Debt;
 - (b) any payment or distribution of any kind or character and all and any rights in respect of such payment or distribution, whether in cash, securities or other property, which is payable or deliverable upon or with respect to all or part of the Subordinated Debt by a liquidator, administrator, administrative receiver or receiver (or equivalent) of any Group Company or its estate made or paid to or received by the Subordinated Creditor or to which the Subordinated Creditor is entitled, will be held in trust by its recipient for BoS and will immediately be paid or, transferred or assigned to BoS for application in the order set out in clause 12 of this Agreement; and
 - (c) if the trust referred to in sub-clause (b) above fails or cannot be given effect to, the Subordinated Creditor (and any agent or trustee on its behalf) receiving any such payment or distribution will pay an amount equal to such payment or distribution to BoS for application in the order set out in clause 12 of this Agreement.
- 8.2. The Subordinated Creditor hereby irrevocably authorises BoS to demand, sue and prove for, collect and receive every payment or distribution referred to in clause 8.1 and discharge liability therefor and to file claims and take such other proceedings, in the name of BoS or in the name of the Subordinated Creditor or otherwise, as BoS may deem necessary or advisable for the enforcement of this Agreement.
- 8.3. The Subordinated Creditor will execute and deliver to BoS such powers of attorney, assignments or other instruments as may be requested by BoS (acting reasonably) to enable BoS to enforce any claims upon or with respect to all or part of the Subordinated Debt, and to collect and receive any payments or distributions which may be payable or deliverable at any time upon or with respect to all or part of the Subordinated Debt.
- 8.4. The liquidator or other insolvency representative or trustee of any Group Company or its estate is hereby authorised by the Subordinated Creditor to apply any assets or monies received by him in accordance with the terms of this Agreement.

9. Contravention

9.1. If at any time prior to the expiry of the Security Period:-

9.1.1. (other than by way of Permitted Payment) the Subordinated Creditor receives or recovers a payment or distribution of any kind whatsoever in respect of or on account of any Subordinated Debt;

9.1.2. the Subordinated Creditor receives or recovers any proceeds pursuant to any Enforcement Action;

9.1.3. (other than by way of a Permitted Payment) any Group Company makes any payment or distribution of any kind whatsoever in respect of, or on account of the purchase or other acquisition of, any Subordinated Debt;

9.1.4. all or any of the Subordinated Debt is discharged by set-off, combination of accounts or otherwise;

the recipient or beneficiary of such payment, distribution, set-off or combination will promptly pay all such amounts or distributions to BoS for application in the order set out in clause 12 of this Agreement after deducting the costs, liabilities and expenses (if any) reasonably incurred in recovering or receiving such payment or distribution and, pending such payment, will hold these amounts and distributions on trust (or otherwise separated from its assets) and on behalf of BoS.

9.2. The Subordinated Debt will, as between the relevant Group Company and the Subordinated Creditor, be deemed not to have been reduced or discharged to the extent of any payment or distribution to BoS under clause 9.1.

10. New Money

10.1. The Subordinated Creditor agrees that the BoS Debt may be refinanced and/or that its terms may be amended and that any amounts borrowed or obligations incurred by any Group Company in refinancing the BoS Debt (whether or not the amount of such BoS Debt is greater than the amount made available at the date of this Agreement) will be BoS Debt within the meaning of this Agreement and will rank in accordance with the terms set out in this Agreement and shall be subject to the priority limits which are set out in this Agreement. Without limit to the generality of the foregoing, all amounts made available by BoS to any Group Company from time to time by way of working capital (howsoever described) will be BoS Debt within the meaning of this Agreement, regardless of how that working capital has been made available by BoS.

10.2. The Subordinated Creditor agrees that BoS may, at its discretion, make further advances to any Group Company and each such advance will be deemed to constitute BoS Debt for the purposes of this Agreement and shall be subject to the priority limits set out in this Agreement.

11. Waiver of Defences

11.1. The subordination effected or intended to be effected by this Agreement and the obligations of the Subordinated Creditor under it shall not be affected by any act, omission or circumstances which but for this provision might operate to release the Subordinated Creditor from its obligations or affect such obligations or such subordination including, without limitation and whether or not known to the Subordinated Creditor or any other person:-

- 11.1.1. any time, indulgence or waiver granted to, or composition with any Group Company or any other person;
 - 11.1.2. the taking, variation, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any rights, remedies or securities against or granted by any Group Company or any other person;
 - 11.1.3. any unenforceability, illegality, invalidity or frustration of any obligation of any of the Group Companies under the BoS Documents or of any other person under any other document;
 - 11.1.4. any amendment to or variation of the terms of the BoS Documents or any other document;
 - 11.1.5. any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any Group Company under any BoS Document resulting from any insolvency, liquidation or dissolution proceedings or from any law or regulation.
- 11.2. This Agreement shall apply in respect of the BoS Debt irrespective of any intermediate payment of any of the BoS Debt and shall apply to the ultimate balance of the BoS Debt.
- 11.3. Notwithstanding any of the provisions of this Agreement postponing, subordinating or delaying the payment of all or any of the Subordinated Debt, such Subordinated Debt shall as between the Group Companies and the Subordinated Creditor remain owing or due and payable in accordance with the terms of the Subordinated Documents.

12. Application of Monies

- 12.1. All monies received under or by virtue of the Security Documents following enforcement thereof shall be applied, subject to the claims of any creditors ranking in priority to or *pari passu* with the claims of BoS and the Subordinated Creditor hereunder, in the following order:-
- 12.1.1. in or towards payment of all costs, charges and expenses of or incidental to the enforcement of the relevant Security Documents;
 - 12.1.2. in or towards satisfaction of the BoS Priority Debt in such order as BoS may from time to time require;
 - 12.1.3. in or towards satisfaction of the SE Priority Debt in such order as the Subordinated Creditor may from time to time require;
 - 12.1.4. in or towards satisfaction of the remaining BoS Debt in such order as BoS may from time to time require;
 - 12.1.5. in or towards satisfaction of the remaining Subordinated Debt in such order as the Subordinated Creditor may from time to time require; and
 - 12.1.6. any surplus shall be paid to the Group Company (or any other person) entitled to such surplus.
- 12.2. The Group Companies, the Subordinated Creditor and BoS hereby agree that nothing contained in this Agreement shall limit the right of BoS or the Subordinated Creditor (as the case may be), if and for so long as BoS or the Subordinated Creditor (as the case may be) (in its discretion) shall consider it appropriate, to place all or any money arising from the enforcement of the

BoS Security Documents or the Subordinated Security Documents (as the case may be) into a suspense account, without any obligation to apply the same or any part of such money in or towards the discharge of any of the BoS Debt or the Subordinated Debt (as the case may be).

- 12.3. Any amount received hereunder by BoS or the Subordinated Creditor (as the case may be) in a currency other than that in which the BoS Debt or the Subordinated Debt (as the case may be) is denominated and payable shall be converted into Sterling at such rate of exchange as on the date of payment and in such market as is determined by BoS or the Subordinated Creditor (as the case may be) to be appropriate for such conversion. The Group Companies shall pay the costs of such conversion and nothing in this Agreement shall entitle any Group Company to pay the BoS Debt or the Subordinated Debt (as the case may be) in a currency other than Sterling.

13. Assignment and Transfer

- 13.1. This Agreement shall enure to and be binding on the permitted successors and assignees of the parties to this agreement.
- 13.2. No Group Company may assign, transfer or otherwise dispose of all or any of its rights, obligations or benefits under this Agreement.
- 13.3. BoS shall be entitled to assign, transfer, securitise or otherwise dispose of the whole or any part of the benefit of this Agreement (a "Transfer") to any person (the "Transferee") in any manner that it sees fit to whom all or a corresponding part of its rights and benefits and, where applicable, obligations under any BoS Document are assigned, transferred, securitised or otherwise disposed of in accordance with the provisions of them. Following such Transfer each Group Company and the Subordinated Creditor shall have recourse only to the Transferee in respect of that portion of BoS's obligations transferred to the Transferee.
- 13.4. BoS will be entitled to disclose to its advisors and to any prospective or actual assignee, any party to a securitisation, transferee or participant, any other member of the BoS Group, its auditors, advisors or applicable regulatory authority, any rating agency, or any other person or entity who enters or propose to enter into any transaction as referred to in this clause 13 with BoS in relation to the BoS Documents (in each case, together with their professional advisors) all information, including any confidential information, financial information and any other information give to BoS in relation to this Agreement.
- 13.5. The Subordinated Creditor hereby undertakes to BoS that it shall not sell, transfer or otherwise dispose of all or any part of its Subordinated Debt to any person unless such purchaser or transferee of any of the Subordinated Debt enters into an Accession Agreement at or prior to the completion of such sale or transfer.

14. Miscellaneous

- 14.1. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement hereof nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction shall in any way be affected or impaired.
- 14.2. No failure to exercise, nor delay in exercising, any right or remedy under this Agreement by BoS will operate as a waiver of such rights and remedies, nor

will any single or partial exercise of any other right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies provided by law.

- 14.3. During the Security Period, BoS and the Subordinated Creditor may disclose to each other information concerning any Group Company and its affairs in such manner and to such extent as BoS and the Subordinated Creditor may wish and each Group Company consents to such disclosure.
- 14.4. If there is any conflict between the terms of this Agreement and the Subordinated Documents, this Agreement shall prevail.
- 14.5. This Agreement may be executed in any number of counterparts, all in accordance with the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015. If executed in counterpart, the counterparts shall not take effect until each party has executed a counterpart and the parties have agreed a date of delivery of the counterparts. The agreed date of delivery shall be inserted on the front cover of this Agreement. The parties nominate Morton Fraser LLP, agents to BoS, to receive the counterparts and authorise Morton Fraser LLP to collate the counterparts and to add the agreed date of delivery to the front cover. Section 2(3) shall of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 shall not apply to this Agreement.

15. Amendment

This Agreement shall not be varied or amended in any way except in writing signed by the Subordinated Creditor, the Group Companies and BoS.

16. Instrument of Alteration

- 16.1. The parties acknowledge and agree that this Agreement is an instrument of alteration in terms of Section 466 of the Companies Act 1985 and that it shall take effect as an agreement ranking standard securities for the purposes of Section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970.
- 16.2. The Subordinated Creditor confirms and undertakes to BoS that it will within 21 days of the date of this Agreement register the required details of this Agreement at Companies House in order for this Agreement to constitute a valid instrument of alteration in respect of the Subordinated Floating Charge.

17. Power of Attorney

Each Group Company and the Subordinated Creditor irrevocably appoints BoS as its attorney to do anything which such person has authorised BoS to do under this Agreement or which such person is required to do under this Agreement but has failed to do for a period of five Business Days after receiving notice from BoS requiring it to do so.

18. Notices

- 18.1. 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 email or letter.
- 18.2. The address and email address (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 that identified with its name below or any substitute address, email address or department or officer as the party may notify to the

other parties by not less than five Business Days' notice.

- 18.3. Any communication made or document made or delivered by one person to another under or in connection with this Agreement will only be effective:-
- (a) if by way of email, only when actually received (or made available) in readable form and if received after 5:00 p.m. such communication shall be deemed only to become effective on the following day;
 - (b) if by way of letter, when it has been delivered to the relevant address or three Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,
- 18.4. and, if a particular department or officer is specified as part of the address details set out below, if addressed to that department or officer.
- 18.5. Any communication or document to be made or delivered to BoS will be effective only when actually received by BoS and then only if it is expressly marked for the attention of the department or officer identified with BoS' signature below (or any substitute department or officer as BoS shall specify for this purpose). Any communication or document made or delivered to the Jack James Group Limited in accordance with this clause will be deemed to have been made or delivered to each of the Group Companies.

19. Governing Law

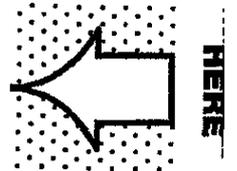
This Agreement shall be governed by and construed according to Scots law.

IN WITNESS WHEREOF this Agreement is executed as follows (but is not delivered until the date stated on the front cover):

SUBSCRIBED for and on behalf of
BANK OF SCOTLAND PLC
by

ALASDAIR DAVID NEIL SWAN

[Redacted Signature] _____
Authorised Signatory



in the presence of the following witness:

Signature: [Redacted Signature] _____

Full Name: *ANDREW SCOTT MEAKIN*

Address: [Redacted Address] _____

Notice details:

Address: Bank of Scotland, SME Banking, The Mound, Edinburgh, EH1 1YZ

For the attention of: Alasdair Swan

With a copy to: Alasdair_Swan@bankofscotland.co.uk

SUBSCRIBED for and on behalf of
SCOTTISH ENTERPRISE
by _____
acting under a Power of Attorney dated
2021

Attorney

in the presence of the following witness:

Signature: _____

Full Name: _____

Address: _____

Notice details:

Address: ScottishLoanScheme@scotent.co.uk

For attention of: Scottish Enterprise Growth Investment Team

19. Governing Law

This Agreement shall be governed by and construed according to Scots law.

IN WITNESS WHEREOF this Agreement is executed as follows (but is not delivered until the date stated on the front cover):

SUBSCRIBED for and on behalf of
BANK OF SCOTLAND PLC
by

Authorised Signatory

in the presence of the following witness:

Signature: _____

Full Name: _____

Address: _____

Notice details:

Address: Bank of Scotland, SME Banking, The Mound, Edinburgh, EH1 1YZ

For the attention of: Alasdair Swan

With a copy to: Alasdair.Swan@bankofscotland.co.uk

SUBSCRIBED for and on behalf of
SCOTTISH ENTERPRISE
by MICHAEL PETER STONEHAM
acting under a Power of Attorney dated
12 January 2021

Attorney

in the presence of the following witness:

Signature: _____

Full Name: ELISA HUDSON

Address: _____

Notice details:

Address: ScottishLoanScheme@scotent.co.uk

For attention of: Scottish Enterprise Growth Investment Team

SUBSCRIBED for and on behalf of
JACK JAMES GROUP LIMITED
by


Director

in the presence of the following witness:

Signature: 

Full Name: CAROLINE LITSTER

Address: 

Notice details:

Address: 13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX

Email: jamie.blamire@sportexgroup.co.uk

For the attention of: Jamie Blamire

SUBSCRIBED for and on behalf of
SPORTEX GROUP LIMITED
by


Director

in the presence of the following witness:

Signature: 

Full Name: CAROLINE LITSTER

Address: 

Notice details:

Address: 13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX

Email: jamie.blamire@sportexgroup.co.uk

For the attention of: Jamie Blamire

SUBSCRIBED for and on behalf of
36FIVE A SIDE LIMITED
by

[Redacted]

Director

in the presence of the following witness:

Signature: [Redacted]

Full Name: CAROLINE LISTER

Address: [Redacted]

Notice details:

Address: 13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX

Email: jamie.blamire@sportexgroup.co.uk

For the attention of: Jamie Blamire

This is the Schedule in three parts referred to in the preceding Inter Creditor Agreement between Jack James Group Limited, Sportex Group Limited, 36Five A Side Limited, Bank of Scotland plc and Scottish Enterprise.

THE SCHEDULE

PART 1

The Group Companies

Name	Registered Office	Registered Number
Jack James Group Limited	13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX	SC530478
Sportex Group Limited	13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX	SC266140
36Five A Side Limited	13-17 Abbotsinch Road, Grangemouth, Scotland, FK3 9UX	SC454219

THE SCHEDULE

PART 2

Accession Agreement

This Agreement is made

BY: [] of [] (the "Acceding Party") in favour of BANK OF SCOTLAND PLC

and is SUPPLEMENTAL to an inter creditor agreement (the "Inter Creditor Agreement") dated ● 2021 and made between (1) the Group Companies (as defined therein), (2) the Subordinated Creditor (as defined) therein and (3) Bank of Scotland plc.

NOW IT IS AGREED AS FOLLOWS

1. Words and expressions defined in the Inter Creditor Agreement shall have the same meaning in this Agreement.
2. The Acceding Party confirms it has been supplied with a copy of the Inter Creditor Agreement and that [] (the "Transferor") has agreed to transfer to it [the Subordinated Debt] detailed in the Schedule to this Agreement.
3. The Acceding Party undertakes to BoS for the benefit of BoS (including its respective assignees, transferees and successors in title) to be bound by all the terms of the Inter Creditor Agreement capable of applying to it to the intent and effect that the Acceding Party shall be a party to the Inter Creditor Agreement with effect from the date of this Agreement.
4. This Agreement shall be governed by and construed according to Scots law.

IN WITNESS WHEREOF [Insert wording]

THE SCHEDULE

[Details of Subordinated Debt]

[Insert execution provisions]

THE SCHEDULE

PART 3

Definitions and Interpretation

1. Definitions

In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:-

"36FAS BoS Floating Charge" means the bond and floating charge granted by 36Five A Side Limited in favour of BoS on 14 August 2014 and registered at Companies House on 29 August 2014;

"36FAS Subordinated Fixed Charge" means the standard security granted or to be granted by 36Five A Side Limited in favour of the Subordinated Creditor over the Property and dated on or around the date of this Agreement;

"36FAS Subordinated Floating Charge" means the bond and floating charge granted or to be granted by 36Five A Side Limited in favour of the Subordinated Creditor on or around the date of this Agreement;

"36FAS Subordinated Security Documents" means the 36FAS Subordinated Floating Charge and the 36FAS Subordinated Fixed Charge;

"Accession Agreement" means an accession agreement in favour of BoS substantially in the form set out in Part 2 of the Schedule (or in such other form as BoS shall approve in writing);

"BoS Debt" means all or any monies and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to BoS by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not BoS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which BoS may in the course of its business charge or incur in respect of any of those matters or for keeping the Group Companies' accounts, and so that interest shall be computed and compounded according to the usual BoS rates and practice as well after as before any demand made or decree obtained;

"BoS Documents" means the BoS Facility Letters and the BoS Security Documents;

"BoS Facility Letters" means each of the:

- (a) the business loan agreement dated 16 and 19 January 2015 between BoS and 36Five A Side Limited in relation to the term loan facilities of £220,000 (as amended, restated, supplemented, novated or replaced from time to time);
- (b) the business loan agreement dated 16 and 19 January 2015 between BoS and 36Five A Side Limited in relation to the term loan facilities of £220,000 (as amended, restated, supplemented, novated or replaced from time to time; and
- (c) the loan agreement dated 20 March 2018 between BoS and 36Five A Side Limited in relation to the term loan facilities of which £103,184 remains

outstanding by way of principal as at the date of this Agreement (as amended, restated, supplemented, novated or replaced from time to time;

"BoS Fixed Charge" means the standard security by 36Five A Side Limited in favour of BoS over the Property dated 14 August 2014 and registered in the Land Register of Scotland on 8 September 2014 and registered at Companies House on 12 September 2014;

"BoS Guarantee" means the corporate guarantee entered into or to be entered into by the Group Companies and Technical Surfaces Limited in favour of BoS on or around the date of this Agreement;

"BoS Priority Debt" means BoS Debt in an amount of up to £450,000 together with the amount which is equal to one year's interest on that amount and all commission, charges, fees, costs and expenses incurred in connection with it;

"BoS Security Documents" means the BoS Fixed Charge, the JJGL BoS Floating Charge, the SGL BoS Floating Charge, the 36FAS BoS Floating Charge, the BoS Guarantee and all fixed and floating charges and other security and all collateral or substituted securities for the time being held by BoS and given by the Group Companies (or any of them) as security for the payment and/or discharge of the BoS Debt;

"Enforcement Action" means any action whatsoever to:

- (a) demand payment of, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand, all or any part of the Subordinated Debt;
- (b) recover all or any part of the Subordinated Debt (including, without limitation, by exercising any right of set-off or combination of accounts);
- (c) exercise or enforce any security right or rights against guarantors or sureties or any other rights under any other document or agreement in relation to (or given in support of) all or any part of the Subordinated Debt (including, without limitation, under the Subordinated Security Documents);
- (d) petition for (or take any other steps or action which may lead to) an Insolvency Event in relation to any Group Company;
- (e) commence legal proceedings against any Group Company;

"Insolvency Event" means:

- (a) any application, notice, resolution or order is made, passed or given for or in connection with the winding up, liquidation, dissolution, administration or reorganisation of any Group Company;
- (b) any Group Company becomes subject to any insolvency, reorganisation, receivership (whether relating to all or some only of its assets), liquidation, dissolution or other similar proceedings, whether voluntary or involuntary and whether or not involving insolvency;
- (c) any Group Company assigns all or any of its assets for the benefit of its creditors generally (or any class thereof) or enters into any composition or arrangement with its creditors generally or any arrangement is ordered or declared by a court of competent jurisdiction whereby all or any of its affairs and/or assets are submitted to the control of, or are protected from, its creditors;

- (d) any Group Company becomes subject to any distribution of its assets in consequence of insolvency, reorganisation, liquidation, dissolution or administration; or
- (e) any event analogous to any of the foregoing shall occur in relation to any Group Company or any of its assets in any jurisdiction;

"JJGL BoS Floating Charge" means the bond and floating charge granted by Jack James Group Limited in favour of BoS dated 3 May 2016 and registered with Companies House on 13 May 2016;

"JJGL Subordinated Floating Charge" means the bond and floating charge granted or to be granted by Jack James Group Limited in favour of the Subordinated Creditor on or around the date of this Agreement;

"Permitted Payments" means the payments in respect of the Subordinated Debt which may be paid by a Group Company in accordance with Clause 6 hereof;

"Permitted Security Right" means:

- (a) the cross guarantee entered into or to be entered into between the Group Companies and Technical Surfaces Limited in favour of the Subordinated Creditor on or around the date of this Agreement; and
- (b) the debenture between Technical Surfaces Limited and the Subordinated Creditor dated on or around the date of this Agreement;

"Property" means ALL and WHOLE the subjects at Houston Road Industrial Estate, Livingston otherwise known as 22 Shairps Business Centre, Houston Road, Livingston registered in the Land Register of Scotland under title number WLN34755;

"SE Priority Debt" means Subordinated Debt in an amount of up to £800,000 together with one year's interest on that amount and all commission, charges, fees, costs and expenses incurred in connection with it;

"Security Documents" means the BoS Security Documents and the Subordinated Security Documents;

"SGL BoS Floating Charge" means the bond and floating charge granted by Sportex Group Limited in favour of BoS dated 7 June 2005 and registered with Companies House on 13 June 2005;

"SGL Subordinated Floating Charge" means the bond and floating charge granted or to be granted by Sportex Group Limited in favour of the Subordinated Creditor and dated on or around the date of this Agreement;

"Security Period" means the period from the date of this Agreement to the date on which the BoS Debt is repaid in full and no commitment by BoS to provide facilities to all or any of the Group Companies remains in effect;

"Subordinated Debt" means all present and future sums, liabilities and obligations (whether actual and contingent, present or future) payable or owing by the Group Companies or any of them to the Subordinated Creditor under the Subordinated Documents;

"Subordinated Documents" means the Subordinated Loan Agreement and the Subordinated Security Documents;

"Subordinated Guarantee" means the cross guarantee entered into or to be entered

into by each of Sportex Group Limited, Jack James Group Limited and 36Five A Side Limited in favour of the Subordinated Creditor and dated on or around the date of this Agreement and to which Technical Surfaces Limited will accede after completion of the acquisition referred to in clause 1;

"Subordinated Loan Agreement" means the loan agreement comprised of Scottish Enterprise Standard Loan Terms and Conditions and the loan confirmation between Sportex Group Limited and the Subordinated Creditor dated on or around the date of this Agreement; and

"Subordinated Security Documents" means the JJGL Subordinated Floating Charge, the SGL Subordinated Floating Charge, each of the 36FAS Subordinated Security Documents, the Subordinated Guarantee and all collateral, additional or substituted securities for the time being held by the Subordinated Creditor and given by the Group Companies (or any of them) as security for the payment and discharge of any part of the Subordinated Debt.

2. **Interpretation**

In this Agreement, unless a contrary intention appears:-

- (a) a reference to statutes, statutory provisions and other legislation shall include all amendments, substitutions, modifications and re-enactments for the time being in force and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant legislation;
- (b) a reference to "control" of any company shall be interpreted in accordance with Section 995 of the Income Tax Act 2007;
- (c) a reference to "including" shall not be construed as limiting the generality of the words preceding it;
- (d) a reference to this Agreement shall include the Schedules;
- (e) any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall bear the same meaning in this Agreement;
- (f) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (g) a reference to this Agreement and to any provisions of it or to any other document referred to in this Agreement shall be construed as references to it in force for the time being as amended, varied, supplemented, restated, substituted or novated from time to time;
- (h) a reference to any person is to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or agency of a state, whether or not a separate legal entity;
- (i) a reference to any person is to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect;
- (j) clause headings are for ease of reference only and are not to affect the interpretation of this Agreement;
- (k) any reference to the Subordinated Creditor includes any agent or trustee (howsoever described) holding any Security Rights or other rights for or on behalf of the Subordinated Creditor;

- (l) words and expressions defined in any of the BoS Facility Letters shall bear the same meanings when used in this Agreement.



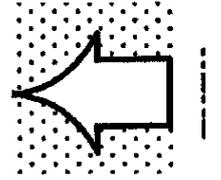
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For Bank of Scotland plc

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For Scottish Enterprise

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For Jack James Group Limited

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For Sportex Group Limited

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For 36Five A Side Limited



- (l) words and expressions defined in any of the BoS Facility Letters shall bear the same meanings when used in this Agreement.

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For Bank of Scotland plc

 *A. Harvey*

For Scottish Enterprise

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For Jack James Group Limited

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For Sportex Group Limited

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For 36Five A Side Limited

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For Bank of Scotland plc

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For Scottish Enterprise

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For Jack James Group Limited

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For Sportex Group Limited

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For 36Five A Side Limited