

# M

CHWP000

COMPANIES FORM No. 466(Scot)

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

# 466

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

*Please do not  
write in  
this margin*

Pursuant to section 410 and 466 of the Companies Act 1985

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

To the Registrar of Companies  
(Address overleaf - Note 6)

For official use

Company number

		1
--	--	---

SC475916

Name of company

\* AG Concepts Limited (the "Parent")

*\* insert full name  
of company*

Date of creation of the charge (note 1)

12 March 2015

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

Floating Charge

Names of the persons entitled to the charge

The Royal Bank of Scotland plc ("RBS")

Short particulars of all the property charged

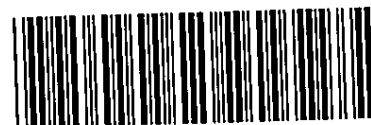
All property, undertaking, assets (including uncalled capital) and rights owned now or in the future.

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

Thomas Horton  
HBJ Gateley, Exchange Tower, 19  
Canning Street, Edinburgh EH3  
8EH  
ROY17.1922

For official use (02/06)  
Charges Section

THURSDAY



SCT

\*S44GUHAO\*  
02/04/2015  
COMPANIES HOUSE

#3

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

See paper apart 1

*Please do not  
write in  
this margin*

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

Date(s) of execution of the instrument of alteration

12, 20 & 27 March

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

No Group Company will (and the Subordinated Creditors will not require any Group Company to) create or permit to subsist any security over any of its assets for all or part of the Subordinated Debt or any guarantees (or other assurance against financial loss) for or in respect of all or any part of the Subordinated Debt.

For additional definitions please see papers apart 1 & 2.

Short particulars of any property released from the floating charge

N/A

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

N/A

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

*Please do not  
write in  
this margin*

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

The Creditors agree and the Group Companies acknowledge that the charges in the Securities shall rank and all receipts, recoveries and realisations (the "Realisations") pursuant to any enforcement of the Securities shall be applied in satisfying the monies, obligations and liabilities thereby secured as follows:-

- 1) In respect of Realisations of the Property, first the RBS Standard Security in discharging the RBS Debt, secondly the RBS Floating Charges in discharging the RBS Debt and thirdly the RBSIF Floating charges in discharging the RBSIF Debt.
- 2) In respect of the Realisations of the Non-vesting Debts, first the RBSIF Floating Charge and the RBSIF Fixed and Floating Charge in discharging the RBSIF Debt and secondly the RBS Floating Charges and RBS Debenture in discharging the RBS Debt; and
- 3) In respect of Realisations of all assets of any Group Company other than the Property and the Non-vesting Debts, first the RBS Floating Charges in discharging the RBS Debt, secondly the RBSIF Floating Charges in discharging the RBSIF Debt and thereafter any remaining Realisations shall be returned to the relevant Group Company.

Nothing contained within the Agreement is intended to rank any floating charge in the Securities before any fixed charge in the Securities. If the result of the operation of Clause 4.1 of the Agreement is to:-

- 1) rank a floating charge ahead of a fixed charge; or
- 2) cause any surplus proceeds of realisation of a fixed charge to fall due to a floating chargeholder;

then, the parties agree that in the circumstances contemplated by Clause 4.5.1 of the Agreement the floating charge shall be postponed to the fixed charge and that in both cases the holder of that fixed charge (and the relevant Group Company) agrees that:-

- 1) all Realisations from its fixed charge shall be applied in the order set out in Clause 4.1 of the Agreement.
- 2) it (and any Administrator or Receiver) will hold any Realisations from its fixed charge on trust for the Creditors to be applied in the order set out in Clause 4.1 of the Agreement.

Definitions: see papers apart 1 & 2.

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

*Please do not  
write in  
this margin*

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

*A fee is payable to  
Companies House  
in respect of each  
register entry for a  
mortgage or  
charge.  
(See Note 5)*

Signed Kum Harness Date 2 APRIL 2015  
**Gateley (Scotland) LLP**

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. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is: Companies Registration Office, 139 Fountainbridge, Edinburgh EH3 9FF  
DX 235 Edinburgh or LP - 4 Edinburgh 2

**Form 466: Paper Apart 1**

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

RBS (Registered No: SC090312) whose registered office is at 36 St Andrew Square, Edinburgh EH2 2YB;

RBS Invoice Finance Limited (Registered No: 00662221) whose registered office is at Smith House, PO Box 50, Elmwood Avenue, Feltham, Middlesex TW12 7QD ("RBSIF");

The Parent (SC475916) whose registered office is at 7 Porter Drive, Kilmarnock, Ayrshire, Scotland, KA2 0NA;

John Corrigan and Lorraine Helen Wilson Corrigan, Lakeside Chapel, Coodham, Symington, Kilmarnock KA 5SG (the "Vendors");

Allan Frederick Brese, 30 Crossdene Road, Kilmarnock KA2 0JN ("AFB");

Graham Ross, 7 Porter Drive, Kilmarnock KA2 0NA ("GR");

J&L Corrigan Limited (Company No: SC365361) whose registered office is at Lakeside Chapel, Coodham, Symington, Kilmarnock KA1 5SG ("JLCL");

Glen Foundry Limited (Company No: 03754526) whose registered office is at 20 Edenhurst Court, Park Hill Road, Torquay, Devon TQ1 2DD ("GFL"); and

Precision Tooling Services Limited (Company No: SC093877) whose registered office is at 10 Spirit Aero Systems Europe Ltd, Prestwick International Airport, Prestwick, Ayrshire ("PTSL").

**Form 466: Paper Apart 2**

"Administrator" has the same meaning as in Schedule B1 of the insolvency Act 1986.

"Agreement" means the intercreditor agreement entered into between RBS, RBSIF, the Vendors, the Managers and the Parent and certain of its Subsidiaries.

"Articles of Association" means the articles of association of the Parent adopted on or around the date of the Agreement.

"Creditor" means each of the Senior Lenders and each Subordinated Creditor.

"Customer Debt" means any Debt as such term is defined in the RBSIF Facility Agreements.

"Group Companies" means the Parent and each of the Subsidiaries and "Group Company" means each and any of them.

"Loan Notes" means the loan notes constituted by the Loan Notes Instrument to be issued to the Vendors.

"Loan Note Instrument" means the loan note instrument constituting £500,000 variable rate unsecured loans, to be granted by the Parent on or about the date of the Agreement.

"Managers" means AFB and GR.

"Manager 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 Managers under the Manager Documents.

"Manager Documents" means the Manager Loan Agreements, the Articles of Association, and the Subscription Agreement.

"Manager Loan Agreements" means the loan agreements dated on or around the date of the Agreement between the Parent and AFB and the loan agreement dated on or around the date of the Agreement between the Parent and GR.

"Non-vesting Debts" means any Customer Debts purchased or purported to be purchased by RBSIF pursuant to the RBSIF Facility Agreements which fail to vest absolutely in RBSIF.

"Property" means Block 1, Units 1-2 Lochshore East Industrial Estate, Glengarnock.

"RBS Debenture" means the debenture granted by GFL in favour of RBS on or about the date of the Agreement.

"RBS 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 RBS by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not RBS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which RBS 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 RBS rates and practice as well after as before any demand or decree obtained.

"RBS Floating Charges" means each of the floating charges granted by each of the Group Companies (other than GFL) in favour of RBS dated on or around the date of the Agreement.

"RBS Security Documents" means the RBS Debenture, the RBS Floating Charges, the RBS Standard Security and all collateral, additional or substituted securities from time to time being held by RBS and granted by the Group Companies (or any of them) as security for the payment and discharge of any part of the RBS Debt;

"RBS Standard Security" means the standard security granted by GFL in favour of RBS dated on or around the date of the Agreement in relation to the Property.

"RBSIF 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 RBSIF by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not RBSIF shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which RBSIF may in the course of its business charge or incur in respect of any of these matters or for keeping the Group Companies' accounts, and so that interest shall be computed and compounded according to the usual RBSIF rates and practices as well after as before any demand made or decree obtained.

"RBSIF Facility Agreements" means the invoice discounting agreements dated on or around the date of the Agreement between RBSIF and the Trading Subsidiaries relating to certain invoice discounting facilities.

"RBSIF Fixed and Floating Charge" means the fixed and floating charge granted by GFL in favour of RBSIF dated 14 December 2004.

"RBSIF Floating Charge" means the floating charge granted by PTSL in favour of RBSIF dated 13 October 2005.

"RBSIF Security Documents" means the RBSIF Floating Charge, the RBSIF Fixed and Floating Charge and all collateral, additional or substituted securities from time to time being held by RBSIF and granted by the Group Companies (or any of them) as security for the payment and discharge of any part of the RBSIF Debt.

"Receiver" means an administrative receiver, a receiver and manager or a receiver.

"Securities" means any or all, as the context requires, of the Senior Security Documents.

"Senior Debt" means the RBS Debt and the RBSIF Debt.

"Senior Lender" means each of RBS and RBSIF.

"Senior Security Documents" means the RBS Security Documents and the RBSIF Security Documents.

"Subordinated Creditors" means the Vendors and the Managers.

"Subordinated Debt" means the Vendor Debt and Manager Debt.

"Subordinated Documents" means the Loan Note Instrument, the Loan Notes and the Manager Documents.

"Subscription Agreement" means the subscription agreement dated on or around the date of the Agreement among the Parent and the Managers.

"Subsidiaries" are JLCL, GFL and PTSL, each a "Subsidiary".

"Trading Subsidiary" means GFL and PTSL.

"Vendor Debt" means all present and future sums, liabilities and obligations (whether actual and contingent, present or future) payable or owing by the Parent to the Vendors under the Loan Notes.



**FILE COPY**

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

COMPANY NO. 475916  
CHARGE CODE SC47 5916 0001

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT  
OF ALTERATION DATED 27 MARCH 2015 WERE DELIVERED  
PURSUANT TO SECTION 466 OF THE COMPANIES ACT 1985  
ON 2 APRIL 2015

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 12  
MARCH 2015

BY AG CONCEPTS LIMITED

IN FAVOUR OF  
THE ROYAL BANK OF SCOTLAND PLC

GIVEN AT COMPANIES HOUSE, EDINBURGH 8 APRIL 2015



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



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

*Euan Unness*  
Gateley (Scotland) LLP

## INTERCREDITOR AGREEMENT

between

(1) THE ROYAL BANK OF SCOTLAND PLC

(2) RBS INVOICE FINANCE LIMITED

(3) JOHN CORRIGAN AND LORRAINE HELEN WILSON CORRIGAN

(4) ALLAN FREDERICK BRESE AND GRAHAM ROSS

and

(5) AG CONCEPTS LIMITED AND CERTAIN OF ITS SUBSIDIARIES

2015

# HBJ Gateley

Cornerstone  
107 West Regent Street  
Glasgow, G2 2BA

t: +44 (0) 141 221 2300  
f: +44 (0) 141 221 5800  
FAS2286  
DX GW120

Exchange Tower  
19 Canning Street  
Edinburgh EH3 8EH

t: +44 (0) 131 228 2400  
f: +44 (0) 131 222 9800  
FAS: 2830  
DX ED27

[www.hbjgateley.com](http://www.hbjgateley.com)  
A/8961274/8

## TABLE OF CONTENTS

1. DEFINITIONS AND INTERPRETATION .....	1
2. CONSENTS AND AGREEMENTS .....	6
3. RANKING OF DEBTS .....	6
4. RANKING OF SECURITIES .....	7
5. UNDERTAKINGS .....	8
6. PERMITTED PAYMENTS .....	9
7. CONTINUING SECURITY .....	9
8. ENFORCEMENT OF SECURITY .....	10
9. INSOLVENCY PROCEEDINGS .....	11
10. COMPLIANCE WITH COVENANTS .....	12
11. WAIVER OF DEFENCES .....	12
12. CREDITS TO GROUP COMPANIES' ACCOUNTS WITH RBS .....	12
13. TERMINATION .....	13
14. THE COMPANY'S ACKNOWLEDGEMENTS .....	13
15. INFORMATION .....	13
16. ENTIRE AGREEMENT .....	13
17. WAIVERS .....	14
18. VARIATIONS .....	14
19. SEVERABILITY .....	14
20. FACILITIES .....	14
21. TRANSFER AND ACCESSION .....	14
22. TIME AND INDULGENCE .....	15
23. COMPENSATION .....	15
24. NOTICES .....	15
25. LAW AND JURISDICTION .....	16
SCHEDULE .....	19
PART 1 THE VENDORS .....	19
PART 2 THE MANAGERS .....	20
PART 3 SUBSIDIARIES .....	21
PART 4 DEED OF ACCESSION .....	22

## INTERCREDITOR AGREEMENT

between

- (1) **THE ROYAL BANK OF SCOTLAND PLC** (Registered Number SC090312) whose registered office is at 36 St Andrew Square, Edinburgh EH2 2YB ("**RBS**");
- (2) **RBS INVOICE FINANCE LIMITED** (Registered Number 00662221) whose registered office is at Smith House, PO Box 50, Elmwood Avenue, Feltham, Middlesex TW13 7QD ("**RBSIF**");
- (3) **THE VENDORS**, whose details are listed in Part 1 of the Schedule (together the "**Vendors**" and each a "**Vendor**");
- (4) **THE INDIVIDUALS**, whose details are listed in Part 2 of the Schedule (together the "**Managers**" and each a "**Manager**");
- (5) **AG CONCEPTS LIMITED** (Registered Number SC475916) whose registered office is at 7 Porter Drive, Kilmarnock, Ayrshire KA2 0NA (the "**Parent**"); and
- (6) **THE COMPANIES**, whose details are listed in Part 3 of the Schedule (together the "**Subsidiaries**", each a "**Subsidiary**").

NOW THEREFORE THE PARTIES HAVE AGREED AND DO HEREBY AGREE as follows:-

### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, except where the context otherwise requires, each of the expressions set out below shall have the following meanings:-

"**Administrator**" has the same meaning as in Schedule B1 to the Insolvency Act 1986;

"**Articles of Association**" means the articles of association of the Parent adopted on or around the date of this Agreement;

"**Borrowing Costs**" means in relation to any period, interest and costs (accrued, payable or capitalised) to service Gross Borrowings, including the effect of amounts payable and receivable under interest rate hedging related to Gross Borrowings for such period, and excluding fair value losses and impairment charges on financial instruments incurred during such period and any finance cost or finance income related to defined benefit pension schemes incurred during such period.

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

"**Creditor**" means each of the Senior Lenders and each of the Subordinated Creditors;

"**Customer Debt**" means any Debt as such term is defined in the RBSIF Facility Agreement;

"**Debt**" means the Senior Debt and the Subordinated Debt;

"**Deed of Accession**" means a deed of accession in favour of the Senior Lenders substantially in the form set out in Part 4 of the Schedule (or as otherwise approved by the Senior Lenders in writing);

**"EBITA"** means in relation to any period, profit/loss on ordinary activities before tax of the Group for such period but after adding back:

- (a) Borrowing Costs;
- (b) amortisation;
- (c) interest payable by associates and joint ventures;
- (d) the group's share of losses from associates and joint ventures,

and after deducting:

- (e) investment income;
- (f) interest receivable and other similar income (including from associates and joint ventures);
- (g) the group's share of profits from associates and joint ventures,

in each case in respect of such period;

**"EBITDA"** means in relation to any period, EBITA for such period after adding back depreciation and exceptional non-cash losses and deducting exceptional non-cash gains in each case incurred or accrued in such period.

**"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 Documents);
- (d) petition for (or take any other steps or action which may lead to) an Insolvency Event in relation to any Group Company; or
- (e) commence legal proceedings against any Group Company;

**"Financial Covenants"** means the financial covenants set out in clause 10 of the RBS Facility Agreement or any other replacement financial covenants in any RBS Document;

**"GFL"** means Glen Foundry Limited (registered number 03754526);

**"Gross Borrowings"** means borrowings of the Group including bonds, notes, loan stock and debentures, redeemable shares, obligations under finance leases, factoring and invoice discounting and other obligations with the commercial effect of borrowing;

**"Group Companies"** means the Parent and each of the Subsidiaries and **"Group Company"** means each and any of them;

**"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;

**"Loan Note Instrument"** means the loan note instrument constituting £500,000 variable rate unsecured loan notes, to be granted by the Parent on or about the date of this Agreement;

**"Loan Notes"** means the loan notes constituted by the Loan Note Instrument to be issued to the Vendors;

**"Manager 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 Managers under the Manager Documents;

**"Manager Documents"** means:

- (a) the Manager Loan Agreements;
- (b) the Articles of Association; and
- (c) the Subscription Agreement;

**"Manager Loan Agreements"** means:

- (a) the loan agreement dated on or around the date of this Agreement between the Borrower and Allan Frederick Brese; and
- (b) the loan agreement dated on or around the date of this Agreement between the Borrower and Graham Ross;

**"Non-vesting Debts"** means any Customer Debts purchased or purported to be purchased by RBSIF pursuant to the RBSIF Facility Agreement which fail to vest absolutely in RBSIF;

**"Permitted Payments"** means:

- (a) any payments of interest on the Loan Notes to the Vendors which are due and payable in accordance with the terms of the Loan Note Instrument; and
- (b) any repayments of the Loan Notes to the Vendors which are due and payable in accordance with the terms of paragraph 3.1 of Part 2 of the Schedule to the Loan Note Instrument;

**"Property"** means Block 1, Units 1-2 Lochshore East Industrial Estate, Glengarnock;

**"PTSL"** means Precision Tooling Services Limited (registered number SC093877);

**"Purchased Debts"** means all or any of the Customer Debts together with their Related Rights (as defined in the RBSIF Facility Agreement) which are purchased or the ownership of which are assigned or are intended to be assigned to RBSIF pursuant to the RBSIF Facility Agreement;

**"RBS Debenture"** means the debenture granted by GFL in favour of RBS on or about the date of this Agreement;

**"RBS 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 RBS by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not RBS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which RBS 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 RBS rates and practice as well after as before any demand made or decree obtained;

**"RBS Default"** means an Event of Default (as defined in the RBS Facility Agreement) or any other event of default (however described) in the RBS Documents;

**"RBS Discharge Date"** means the first date on which all RBS Debt has been fully repaid and discharged to RBS whether or not as the result of enforcement, and RBS is under no further obligation to provide finance to any Group Company under any of the RBS Documents;

**"RBS Documents"** means the RBS Facility Agreement, the RBS Security Documents and any other agreement, deed, letter or instrument entered into between RBS and any of the Group Companies setting out the terms of the RBS Debt;

**"RBS Facility Agreement"** means the facility agreement dated on or around the date of this Agreement between RBS and the Parent relating to certain term loan facilities;

**"RBS Floating Charges"** means each of the floating charges granted by each of the Group Companies (other than GFL) in favour of RBS dated on or around the date hereof;

**"RBS Security Documents"** means the RBS Debenture, the RBS Floating Charges, the RBS Standard Security and all collateral, additional or substituted securities from time to time being held by RBS and granted by the Group Companies (or any of them) as security for the payment and discharge of any part of the RBS Debt;

**"RBS Standard Security"** means the standard security granted by GFL in favour of RBS dated on or around the date hereof in relation to the Property;

**"RBSIF Default"** means any decision by RBSIF to demand immediate repayment of the RBSIF Debt;

**"RBSIF Documents"** means the RBSIF Facility Agreement, the RBSIF Security Documents and any other agreement, deed, letter or instrument entered into between RBSIF and any of the Group Companies setting out the terms of the RBSIF Debt;

**"RBSIF Facility Agreements"** means the invoice discounting agreements dated on or around the date of this Agreement between RBSIF and the Trading Subsidiaries relating to certain invoice discounting facilities;

**"RBSIF Fixed and Floating Charge"** means the fixed and floating charge granted by GFL in favour of RBSIF dated 14 December 2004;

**"RBSIF Floating Charge"** means the floating charge granted by PTSL in favour of RBSIF dated 13 October 2005;

**"RBSIF 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 RBSIF by the Group Companies, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not RBSIF shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which RBSIF 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 RBSIF rates and practice as well after as before any demand made or decree obtained;

**"RBSIF Security Documents"** means the RBSIF Floating Charge, the RBSIF Fixed and Floating Charge and all collateral, additional or substituted securities from time to time being held by RBSIF and granted by the Group Companies (or any of them) as security for the payment and discharge of any part of the RBSIF Debt;

**"Receiver"** means an administrative receiver, a receiver and manager or a receiver;

**"Relevant Period"** means each twelve month period ending on a Test Date;

**"Schedule"** means the schedule in four parts annexed as relative hereto;

**"Securities"** means any or all, as the context requires, of the Senior Security Documents;

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

**"Senior Debt"** means the RBS Debt and the RBSIF Debt;

**"Senior Documents"** means the RBS Documents and the RBSIF Documents;

**"Senior Floating Charges"** means the RBS Floating Charges, the RBSIF Floating Charge and the floating charge under the RBSIF Fixed and Floating Charge;

**"Senior Lenders"** means each of RBS and RBSIF;

**"Senior Security Documents"** means the RBS Security Documents and the RBSIF Security Documents;

**"Subordinated Creditors"** means the Vendors and the Managers;

**"Subordinated Debt"** means the Vendor Debt and the Manager Debt;

**"Subordinated Documents"** means the Loan Note Instrument, the Loan Notes and the Manager Documents;

**"Subscription Agreement"** means the subscription agreement dated on or around the date of this Agreement among the Parent and the Managers;

**"Test Date"** means 31 March, 30 June, 30 September and 31 December in each year;

**"Trading Subsidiaries"** means GFL and PTSL;

**"Trust Account"** means any bank account in the name of a Group Company designated in trust for RBSIF for the purposes of the RBSIF Facility Agreement; and

**"Vendor Debt"** means all present and future sums, liabilities and obligations (whether actual and contingent, present or future) payable or owing by the Parent to the Vendors under the Loan Notes.

1.2 In this Agreement, unless the context otherwise requires:-

- 1.2.1 references to the parties shall be construed so as to include their respective successors and permitted assigns;
  - 1.2.2 references to a "business day" shall be construed as a reference to a day (other than a Saturday or a Sunday) on which banks are generally open for the transaction of business in Pounds Sterling in London;
  - 1.2.3 references to Clauses are references to clauses of this Agreement;
  - 1.2.4 references to this Agreement shall be to this Agreement as amended, varied, supplemented or novated from time to time;
  - 1.2.5 headings are inserted for ease of reference only and shall be ignored in the construction of this Agreement;
  - 1.2.6 references to any statute or law shall be to such statute or law as re-enacted, amended, extended or replaced from time to time; and
  - 1.2.7 the singular includes the plural and vice versa and any gender includes the other.
- 1.3 If there is any conflict or inconsistency between any provision of this Agreement and any provision contained within a Security, the provisions of this Agreement shall prevail.

## **2. CONSENTS AND AGREEMENTS**

- 2.1 Insofar as consent is required under the terms of the Securities or otherwise, each Creditor hereby confirms its consent to the creation and continuance of the Securities in favour of RBS and RBSIF.
- 2.2 RBS and the Subordinated Creditors consent to the Trading Subsidiaries entry into the RBSIF Facility Agreements and the assignments and/or assignations of Customer Debts by the Trading Subsidiaries under the RBSIF Facility Agreements and agrees that Customer Debts which vest in RBSIF under the RBSIF Facility Agreements (whether by way of assignation, holding in trust or otherwise) are released from the RBS Security Documents.
- 2.3 RBS and the Subordinated Creditors consent to the Trading Subsidiaries (and any other Group Company which obtains facilities from RBSIF) opening a Trust Account and agrees that such Group Company shall not be entitled to withdraw funds from such account other than by payment to RBSIF.

## **3. RANKING OF DEBTS**

- 3.1 The Debt shall rank for all purposes and at all times until the occurrence of any Enforcement Action and/or Insolvency Event in the following order of priority:-
- 3.1.1 first, the Senior Debt (in such order as RBS and RBSIF may agree between themselves); and
  - 3.1.2 second, the Subordinated Debt.
- 3.2 RBS, the Subordinated Creditors and the Group Companies agree and acknowledge to RBSIF that the proceeds of any Customer Debt whenever created constitute a realisation of a Customer Debt payable to RBSIF and such proceeds are not a realisation of any other asset of the Group Companies.
- 3.3 A certificate signed by a duly authorised signatory of RBS will, except in the case of manifest error, be conclusive evidence of the amount of the RBS Debt which is outstanding.



- 3.4 A certificate signed by a duly authorised signatory of RBSIF will, except in the case of manifest error, be conclusive evidence of the amount of the RBSIF Debt which is outstanding.

#### 4. RANKING OF SECURITIES

- 4.1 The Creditors agree and the Group Companies acknowledge that the charges in the Securities shall rank and all receipts, recoveries and realisations (the "**Realisations**") pursuant to any enforcement of the Securities shall be applied in satisfying the monies, obligations and liabilities thereby secured as follows:-
- 4.1.1 in respect of Realisations of the Property, first the RBS Standard Security in discharging the RBS Debt, secondly the RBS Floating Charges in discharging the RBS Debt and thirdly the RBSIF Floating Charges in discharging the RBSIF Debt;
  - 4.1.2 in respect of Realisations of Non-vesting Debts, first the RBSIF Floating Charge and the RBSIF Fixed and Floating Charge in discharging the RBSIF Debt and secondly the RBS Floating Charges and RBS Debenture in discharging the RBS Debt; and
  - 4.1.3 in respect of Realisations of all assets of any Group Company other than the Property and the Non-vesting Debts, first the RBS Floating Charges in discharging the RBS Debt, secondly the RBSIF Floating Charges in discharging the RBSIF Debt and thereafter any remaining Realisations shall be returned to the relevant Group Company.
- 4.2 The amount of any Administrator's or Receiver's remuneration and all outgoings, costs, charges, expenses, liabilities and payments ranking by statute for payment in priority to the amount secured by the Securities shall be deducted from all receipts and recoveries under the Security under which he is appointed prior to their application towards the discharge or satisfaction of the amount secured by the Securities.
- 4.3 For the purposes of the Insolvency Act 1986 the Creditors hereby confirm that any qualifying floating charges within the meaning of paragraph 14 of Schedule B1 to the Insolvency Act 1986 contained in the Securities shall rank in the order set out in Clause 4.1 notwithstanding the date of creation of such floating charges.
- 4.4 Each of the parties to this Agreement agrees that the proceeds of any Debt (as defined in the RBSIF Facility Agreements) whenever created constitute a realisation of a Debt (as defined in the RBSIF Facility Agreements) payable to RBSIF and such proceeds are not a realisation of any other asset of the Trading Subsidiaries.
- 4.5 Nothing contained within this Agreement is intended to rank any floating charge in the Securities before any fixed charge in the Securities. If the result of the operation of Clause 4.1 is to:-
- 4.5.1 rank a floating charge ahead of a fixed charge; or
  - 4.5.2 cause any surplus proceeds of realisation of a fixed charge to fall due to a floating chargeholder;
- then, the parties agree that in the circumstances contemplated by Clause 4.5.1 the floating charge shall be postponed to the fixed charge and that in both cases the holder of that fixed charge (and the relevant Group Company) agrees that:-
- 4.5.3 all Realisations from its fixed charge shall be applied in the order set out in Clause 4.1; and

- 4.5.4 it (and any Administrator or Receiver) will hold any Realisations from its fixed charge on trust for the Creditors to be applied in the order set out in Clause 4.1.
- 4.6 No Creditor shall be entitled to the proceeds of realisation from any assets over which it does not hold effective security.
- 5. UNDERTAKINGS**
- 5.1 During the Security Period, no Group Company will (and the Subordinated Creditors will not require any Group Company to):-
- 5.1.1 create or permit to subsist any security 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;
  - 5.1.2 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;
  - 5.1.3 amend any of the terms of the Subordinated Documents, save with the prior written consent of Senior Lenders;
  - 5.1.4 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);
  - 5.1.5 give any financial support to any person to enable it to do any of the things referred to in Clause 5.1.1 to 5.1.4 (inclusive) above; or
  - 5.1.6 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.
- 5.2 During the Security Period, no Subordinated Creditor will:-
- 5.2.1 demand or (except in respect of any Permitted Payment in accordance with the terms of Clause 6) 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;
  - 5.2.2 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;
  - 5.2.3 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 9;
  - 5.2.4 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;
  - 5.2.5 amend, vary, waive or release any provision of the Subordinated Documents in any way which (i) in the opinion of RBS, is likely to have an adverse effect upon the interests of RBS in relation to the RBS Debt; or (ii) in the opinion of RBSIF, is likely to have an adverse effect upon the interests of RBSIF in relation to the RBSIF Debt;

- 5.2.6 sell, transfer or otherwise dispose of any of the Subordinated Debt;
  - 5.2.7 take any Enforcement Action involving any Group Company, other than in terms of Clause 8;
  - 5.2.8 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.
- 5.3 During the Security Period, each Subordinated Creditor undertakes to the Senior Lenders that it shall comply with its obligations under this Agreement and (subject to such obligations) the Subordinated Documents.

## **6. PERMITTED PAYMENTS**

- 6.1 Prior to the RBS Discharge Date, the Parent may make Permitted Payments when the same are due and payable provided that as at the date on which such a payment is to be made:-
- 6.1.1 RBS has received and is satisfied with the annual financial statements of the Parent and the consolidated financial statements of the Group Companies for the financial year ending on 31 December 2016;
  - 6.1.2 all other financial information required to be delivered in terms of the RBS Facility Agreement prior to the proposed date of the Permitted Payment has been received by RBS and demonstrates that the EBITDA of the Group Companies for the Relevant Period ending on the Test Date to which such financial information relates is no less than £1,200,000;
  - 6.1.3 no breach of the Financial Covenants or any terms of the RBS Facility Agreement has occurred or is likely to occur as a result of such payment being made;
  - 6.1.4 RBS has received a certificate signed by a director of the Parent certifying that in the opinion of the directors of the Parent (after due and diligent enquiries having regard to all information available to the Parent) the proposed Permitted Payment will not result in the occurrence of a breach of, clause 6.1.2 above, the Financial Covenants or any terms of the RBS Facility Agreement on any date on which compliance with those obligations is to be tested within 12 months of the proposed date of such payment or repayment.
- 6.2 On and following the RBS Discharge Date, the Parent may make Permitted Payments when the same are due and payable provided that as at the date on which payment is to be made:-
- 6.2.1 all financial information required to be delivered in terms of the RBSIF Facility Agreement has been received by RBSIF; and
  - 6.2.2 no breach of any terms of the RBSIF Facility Agreement has occurred or is likely to occur as a result of such payment being made.

## **7. CONTINUING SECURITY**

- 7.1 The Securities shall be continuing securities for repayment to the Creditors of the money and liabilities thereby secured and the priority arrangements herein contained shall not be affected by the date(s) of any advances made to any Group Company by any of the Creditors, by any fluctuations in the amount from time to time due owing or incurred by any Group Company to any of the Creditors or by the existence at any

time of a credit or nil balance on any relevant account of the Company with any Creditor.

- 7.2 The provisions of this Agreement shall apply and the Securities shall be given effect in accordance with the terms of this Agreement notwithstanding (i) the date(s) of their creation, registration or intimation or (ii) the provisions of Sections 464 or 466 of the Companies Act 1985. The Securities are hereby varied to the extent specified in this Agreement and this Agreement shall be construed and receive effect as an instrument of alteration within the meaning of Section 466 of the Companies Act 1985.

## **8. ENFORCEMENT OF SECURITY**

### **8.1 Enforcement by RBS**

- 8.1.1 Subject to the terms of clause 8.1.2 below, RBS may take Enforcement Action at any time in accordance with the provisions of the RBS Finance Documents and shall not be responsible to RBSIF or any Group Company for any Enforcement Action or any failure to take Enforcement Action or to maximise the proceeds of any enforcement of the RBS Security and RBS may cease any such enforcement at any time.
- 8.1.2 RBS may only take Enforcement Action in accordance with clause 8.1.1 above if any RBS Default has occurred and:-
- 8.1.2.1 RBS has given notice to RBSIF in writing of the occurrence of such RBS Default (an "**RBS Enforcement Notice**");
  - 8.1.2.2 a period (an "**RBS Standstill Period**") of not less than 5 Business Days has elapsed from the date RBSIF received the RBS Enforcement Notice; and
  - 8.1.2.3 the RBS Default in question is continuing and has not been remedied or waived in writing by RBS on or prior to the end of the RBS Standstill Period.

### **8.2 Enforcement by RBSIF**

- 8.2.1 RBSIF may only take any Enforcement Action at any time prior to the RBS Discharge Date if:-
- 8.2.1.1 the prior written consent of RBS is obtained;
  - 8.2.1.2 RBS has taken any steps to enforce the RBS Security Documents; or
  - 8.2.1.3 the following has taken place:-
    - (i) an RBSIF Default has occurred;
    - (ii) RBSIF has given notice to RBS (an "**RBSIF Enforcement Notice**") of the occurrence of such RBSIF Default;
    - (iii) a period (an "**RBSIF Standstill Period**") of not less than 5 Business Days has elapsed from the date RBS received the RBSIF Enforcement Notice; and
    - (iv) the RBSIF Default in question is continuing and has not been remedied or waived in writing by RBSIF on or prior to the end of the RBSIF Standstill Period.

**8.3 Benefit of RBS and RBSIF Enforcement Provisions**

The obligations and rights of the Senior Lenders pursuant to Clauses 8.1 and 8.2 are given to and for the benefit of the Senior Lenders only and are not enforceable by any other party to this Agreement.

**8.4 Enforcement by Subordinated Creditors**

8.4.1 Subject to Clause 8.4.2 below, the Subordinated Creditors shall not take any Enforcement Action prior to the expiry of the Security Period without the prior written consent of the Senior Lenders.

8.4.2 The restriction in Clause 8.4.1 above, shall not apply to the relevant Subordinated Creditors in respect of a Group Company if:-

8.4.2.1 a court makes a winding-up order or an order for the dissolution or liquidation of such Group Company or a liquidator or an Administrator or equivalent is appointed to such Group Company, other than in any such case as a result of action taken by (or on behalf of) all or any of the Subordinated Creditors; and

8.4.2.2 either of the Senior Lenders has enforced the security conferred by the Senior Security Documents (or any of them) granted by such Group Company other than by the exercise by either of the Senior Lenders of any set-off or similar rights.

**9. INSOLVENCY PROCEEDINGS**

9.1 If an Insolvency Event occurs in respect of any Group Company during the Security Period then:-

9.1.1 the Subordinated Debt will be postponed and subordinated to the Senior Debt and (if required by the either RBS or RBSIF but not otherwise) each of the Subordinated Creditors will file any proof or other claim necessary for the recovery of the Subordinated Debt;

9.1.2 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, or Receiver (or equivalent) of any Group Company or its estate made or paid to or received by any of the Subordinated Creditors or to which any of the Subordinated Creditors are entitled, will be held in trust by its recipient for the Senior Lenders and will immediately be paid or, transferred or assigned to RBS for application in the order set out in Clause 4 of this Agreement; and

9.1.3 if the trust referred to in Clause 9.1.2 above fails or cannot be given effect to, each Subordinated Creditor (and any agent or trustee on their behalf) receiving any such payment or distribution will pay an amount equal to such payment or distribution to RBS for application in the order set out in Clause 4 of this Agreement.

9.2 If, prior to the expiry of the Security Period, any Subordinated Creditor receives or recovers any proceeds of Enforcement Action or a payment or distribution in respect of the Subordinated Debt (other than a Permitted Payment made in accordance with the terms of Clause 6) or in accordance with the ranking set out in Clause 4, it will promptly pay such amount to RBS for application in the order set out in Clause 4 after deducting the costs, liabilities and expenses (if any) reasonably and properly incurred by such Subordinated Creditor in recovering or receiving such payment and, pending such payment, will hold these amounts and distributions on trust (or

otherwise separated from its assets) on behalf of the Senior Lenders (and the Senior Lenders acknowledge notice of such trust).

**10. COMPLIANCE WITH COVENANTS**

Provided that each Group Company observes and performs all the covenants in the Senior Documents then during the Security Period the Group Companies shall be deemed to have complied with all or any corresponding covenants in the Subordinated Documents.

**11. WAIVER OF DEFENCES**

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

11.1.4 any amendment to or variation of the terms of the Senior 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 of the Senior Documents resulting from any insolvency, liquidation or dissolution proceedings or from any law or regulation.

- 11.2 This Agreement shall apply in respect of the Senior Debt irrespective of any intermediate payment of any of the Senior Debt and shall apply to the ultimate balance of the Senior 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 Parent and the relevant Subordinated Creditor remain owing or due and payable in accordance with the terms of the Subordinated Documents.

**12. CREDITS TO GROUP COMPANIES' ACCOUNTS WITH RBS**

- 12.1 Notwithstanding (i) the terms of any charge on the Customer Debts contained in the RBSIF Floating Charge or the RBSIF Fixed and Floating Charge and (ii) any covenant in the RBSIF Floating Charge, the RBSIF Fixed and Floating Charge or in the RBSIF Facility Agreement or any other request or instruction, by a Group Company to RBS to pay the proceeds of any Customer Debts into the relevant Group Company's account with RBSIF or with RBS or some other bank, RBSIF and the Group Companies agree that RBS may accept any payment or collect any cheque or other instrument for credit to the relevant Group Company's account with RBS and shall not be obliged to pay any sum to RBSIF unless:-

- 12.1.1 prior to the receipt of such credit RBS has received notice in writing from RBSIF that a credit represents the proceeds of Purchased Debts; or
- 12.1.2 RBS has deliberately procured the payment to RBS of a sum which to RBS' knowledge should have been paid to RBSIF.
- 12.2 The notice in writing under clause 12.1 is to be treated as RBSIF's requirement that the whole or the applicable part of such credit shall be held by RBS only to the order of RBSIF and paid to it upon demand and RBS will make no further enquiries of RBSIF or seek any other authorisation from the relevant Group Company to pay RBSIF.
- 12.3 In respect of any credit balance from time to time on any account of a Group Company with RBS to which no claim has been made by RBSIF under clause 12.1 it is agreed that RBS may permit the relevant Group Company to draw upon such credit balance and may at any time apply set-off or permit to be applied set-off against any such credit balance in reduction or discharge of or against the whole of the relevant Group Company's RBS Debt.
- 12.4 At any time RBSIF may advise RBS that the whole or any part of the credit balance referred to in clause 12.3 represents collections due from debtors under Purchased Debts.
- 12.5 Upon receipt of an advice under clause 12.4 RBS' rights under clause 12.3 shall remain unaffected but the relevant Group Company shall not be permitted to draw upon such credit balance until a further notice authorising such withdrawals has been given to RBS by RBSIF.
- 12.6 The rights set out in this Clause 12 shall not affect RBSIF's right of tracing against the Group Companies.

**13. TERMINATION**

This Agreement shall cease to have effect when all of the Securities of the Creditors shall have been fully discharged.

**14. THE COMPANY'S ACKNOWLEDGEMENTS**

- 14.1 Each Group Company acknowledges and consents to the ranking of the Securities herein recorded.
- 14.2 Each Group Company acknowledges that this Agreement does not create any rights in its favour and that it shall not be entitled to enforce any of the terms of this Agreement against any of the Creditors.

**15. INFORMATION**

- 15.1 Whilst this Agreement subsists the Senior Lenders and the Subordinated Creditors may from time to time disclose to the other information concerning a Group Company and its affairs in such manner and to such extent as such Creditor shall from time to time think fit. Each Group Company consents to such disclosure.
- 15.2 Each Creditor acknowledges the right of the other Creditor to the production and delivery of copies of the documents comprising or referred to in its Security.

**16. ENTIRE AGREEMENT**

- 16.1 This Agreement forms the entire agreement between the parties relating to the priority of their respective Securities and the application of the proceeds thereof and

supersedes all previous ranking agreements of any kind between all or any of the Creditors in respect of all or any of the Securities, all earlier meetings, discussions, correspondence, e-mails, facsimile transmissions, telexes, letters and communications, understandings and arrangements of any kind so relating.

**17. WAIVERS**

- 17.1 No forbearance or failure by any party to exercise or assert or claim any right or entitlement hereunder shall be construed (in the absence of a written agreement to waive or a written confirmation of a past waiver) as a waiver of that right or entitlement.
- 17.2 No waiver of any breach of any term of this Agreement shall (unless expressly agreed in writing by the waiving party) be construed as a waiver of a future breach of the same term or as authorising a continuation of the particular breach.
- 17.3 None of the terms of this Agreement is enforceable by any person other than a Creditor and their respective successors in title. No purchaser dealing with any of the Creditors or any Administrator or Receiver shall be concerned in any way with the provisions of this Agreement and shall assume that the Creditors or any such Administrator or Receiver is acting in accordance with the provisions of this Agreement.

**18. VARIATIONS**

Any variation of this Agreement shall be binding only if it is recorded in a document signed by or on behalf of each Creditor.

**19. SEVERABILITY**

The provisions of this Agreement shall be severable and distinct from each other and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of each of the remaining provisions of this Agreement shall not in any way be affected, prejudiced or impaired thereby.

**20. FACILITIES**

Nothing contained in this Agreement shall bind any Creditor to make any advance or prepayment or to grant any credit or other facilities to any Group Company.

**21. TRANSFER AND ACCESSION**

- 21.1 The Group Companies shall not be entitled to assign or transfer all or any of their rights, benefits or obligations under this Agreement.
- 21.2 The Subordinated Creditors shall not be entitled to assign or transfer all or any of their rights, benefits or obligations under this Agreement without the prior written consent of the Senior Lenders.
- 21.3 RBS may at any time assign all or any of its respective rights and benefits under this Agreement to any party to whom RBS transfers or assigns all or any part of the RBS Debt.
- 21.4 RBSIF may at any time assign all or any of its respective rights and benefits under this Agreement to any party to whom RBSIF transfers or assigns all or any part of the RBSIF Debt.



- 21.5 Each of the Subordinated Creditors hereby undertakes to the Senior Lenders that it shall not sell, transfer or otherwise dispose of all or any part of its Subordinated Debt to any person other than in accordance with Clause 5.2 and unless such purchaser or transferee of any of the Subordinated Debt enters into a Deed of Accession at or prior to the completion of such sale or transfer.

**22. TIME AND INDULGENCE**

Each Creditor shall be entitled to grant time or indulgence or to release or compound with a Group Company or otherwise deal with its Security without reference to the other Creditors except to the extent regulated by this Agreement.

**23. COMPENSATION**

The Creditors hereby agree that, if this Agreement is regarded by any one or more liquidators, Receivers or Administrators of the Company as failing to bind him or them, any party or parties who will have benefited as a result of any action by any one or more of such liquidators, Receivers or Administrators will forthwith compensate the party or parties who will have been correspondingly prejudiced to the extent of the provisions as to ranking set out in Clause 4.

**24. NOTICES**

- 24.1 Any notice or other communication given or made under or in connection with the matters contemplated by this Agreement shall be in writing.

- 24.2 Any such notice or other communication shall, subject to Clause 24.4 be addressed to the relevant party at its address stated below in relation to each party:-

- 24.2.1 in the case of RBS:-

address: Level 4 Kirkstane House, 139 St Vincent Street, Glasgow G2 5JF  
marked for the attention of: Senga McKenna

- 24.2.2 in the case of RBSIF:-

address: Level 4 Kirkstane House, 139 St Vincent Street, Glasgow G2 5JF  
marked for the attention of: Leeann Shanks

- 24.2.3 in the case of the Vendors:-

address: Lakeside Chapel, Coodham, Symington, Kilmarnock KA1 5SG  
marked for the attention of: John Corrigan

- 24.2.4 in the case of each Group Company, its registered office address for the time being marked for the attention of Robert McKnight.

- 24.2.5 in the case of the Managers:-

address: c/o Spirit Aero Systems Europe Limited, Building 90, Prestwick  
Airport, Prestwick KA9 2RW;

- 24.2.6 marked for the attention of: Allan Brese and Graham Ross.

- 24.3 Provided a notice is addressed in accordance with Clause 24.2, it shall be deemed to have been duly given or made as follows:-

- 24.3.1 if sent by personal delivery, upon delivery at the address of the relevant party;

- 24.3.2 if sent by first class pre-paid letter post, two clear business days after the date of posting;
- 24.3.3 if sent by facsimile transmission, it shall be deemed to have been received by the addressee as soon as sent, save that if it is sent outside the addressee's normal business hours on a day which is not a working day in the place of receipt it shall be deemed to have been received at 10am on the next following working day.
- 24.4 A party may notify the other parties to this Agreement of a change to its name or address for the purposes of Clause 24.2 provided that such notification shall only be effective on:-
- 24.4.1 the date specified in the notification as the date on which the change is to take place; or
- 24.4.2 if no date is specified or the date specified is less than five clear business days after the date on which notice is given, the date falling five clear business days after notice of any such change has been given.
- 24.5 For the avoidance of doubt, the parties agree that the provisions of this Clause shall not apply in relation to the service of any document by which any legal proceedings are commenced or continued or forming any part of such proceedings.

**25. LAW AND JURISDICTION**

- 25.1 This Agreement is governed by, and shall be construed in accordance with, Scots law.
- 25.2 The parties to this Agreement irrevocably submit to the exclusive jurisdiction of the Scottish courts to settle any disputes which may arise out of or in connection with this Agreement. **IN WITNESS WHEREOF** this and the preceding 15 pages together with the Schedule attached hereto are executed as follows:-

Subscribed for and on behalf of THE ROYAL BANK OF SCOTLAND PLC by **Michael Bond**  
a duly appointed attorney at *MANCHESTER* on the *20<sup>th</sup>* day of *MARCH*  
*2015* before this witness:-

Witness

Full Name

**John Blampied**

Address

Attorney

Subscribed for and on behalf of RBS INVOICE FINANCE LIMITED by **TOM PITTS**  
a duly appointed attorney at *Leitham* on the day of *Fri 27<sup>th</sup> March* *2015* before  
this witness:-

Witness

Full Name

**Bastian Bennett**

Address

Attorney

Subscribed by the said JOHN CORRIGAN at Glasgow  
day of March 2015 before this witness:-

on the 12<sup>th</sup>

Witness

Full Name Fiona Margaret Piper

Address

John Corrigan Esq. LL.M.  
Attorney Jonathan  
Corrigan

Subscribed by the said LORRAINE HELEN WILSON CORRIGAN at Glasgow  
on the 12<sup>th</sup>  
day of March 2015 before this witness:-

Witness

Full Name Fiona Margaret Piper

Address

Lorraine  
Lorraine Helen Wilson Corrigan Esq. LL.M.  
Attorney Jonathan Corrigan

Subscribed by the said ALLAN FREDERICK BRESE at Glasgow on the 12<sup>th</sup>  
day of MARCH 2015 before this witness:-

Witness

Full Name Fiona Margaret Piper

Address

Allan Frederick Brese

Subscribed by the said GRAHAM ROSS at Glasgow on the 12<sup>th</sup>  
day of MARCH 2015 before this witness:-

Witness

Full Name Fiona Margaret Piper

Address

Graham Ross

Subscribed for and on behalf of AG CONCEPTS LIMITED by GRAHAM ROSS  
, Director at Glasgow on the 12<sup>th</sup> day of  
MARCH 2015 before this witness:-

Witness

Full Name FIONA MARGARET PIPER

Address

Director

Subscribed for and on behalf of J & L CORRIGAN LIMITED by GRAHAM ROSS  
, Director at Glasgow on the 12<sup>th</sup> day of  
MARCH 2015 before this witness:-

Witness

Full Name FIONA MARGARET PIPER

Address

Director

Subscribed for and on behalf of GLEN FOUNDRY LIMITED by GRAHAM ROSS  
, Director at Glasgow on the 12<sup>th</sup> day of MARCH 2015 before  
this witness:-

Witness

Full Name FIONA MARGARET PIPER

Address

Director

Subscribed for and on behalf of PRECISION TOOLING SERVICES LIMITED by GRAHAM ROSS  
, Director at Glasgow on the 12<sup>th</sup> day of  
MARCH 2015 before this witness:-

Witness

Full Name FIONA MARGARET PIPER

Address

Director

**This is the Schedule in 4 parts referred to in the foregoing Intercreditor agreement among, *inter alia*, The Royal Bank of Scotland plc, RBS Invoice Finance Limited, AG Concepts Limited, Allan Frederick Brese and others dated 2015**

**SCHEDULE**

**Part 1**

**The Vendors**

**John Corrigan and Lorraine Helen Wilson Corrigan**, spouses, residing together at Lakeside Chapel, Coodham, Symington, Kilmarnock KA1 5SG.

**Part 2**  
**The Managers**

**Allan Frederick Brese** of 30 Crossdene Road, Crosshouse, Kilmarnock KA2 0JN; and  
**Graham Ross** of 7 Porter Drive, Kilmarnock KA2 0NA.

**Part 3**  
**Subsidiaries**

**J & L Corrigan Limited** (Company Number SC365361) whose registered office is at Lakeside Chapel Coodham, Symington, Kilmarock, Ayrshire KA1 5SG;

**Glen Foundry Limited** (Company Number 03754526) whose registered office is at 20 Edenhurst Court, Park Hill Road, Torquay, Devon TQ1 2DD; and

**Precision Tooling Services Limited** (Company Number SC093877) whose registered office is at 10 Spirit Aero Systems Europe Ltd, Prestwick International Airport, Prestwick, Ayrshire KA9 2RW.

**Part 4**  
**Deed of Accession**

This deed is made

BY: [ ] of [ ] (the "Acceding Party") in favour of **THE ROYAL BANK OF SCOTLAND PLC and RBS INVOICE FINANCE LIMITED**

and is SUPPLEMENTAL to an inter creditor agreement (the "Inter Creditor Agreement") dated ● 2015 and made between, among others, The Royal Bank of Scotland plc, RBS Invoice Finance Limited, AG Concepts Limited, Allan Frederick Brese, Graham Ross and others.

**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 the Senior Lenders for the benefit of the Senior Lenders (including their respective assignees, transferees and successors in title) to be bound by all the terms of the Inter Creditor Agreement capable of applying to [UK Steel]/[a Manager] 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]