



Registration of a Charge

Company name: **Stewart Milne Group Limited**

Company number: **SC057709**



X648D0U0

Received for Electronic Filing: **12/04/2017**

Details of Charge

Date of creation: **04/04/2017**

Charge code: **SC05 7709 0210**

Persons entitled: **BANK OF SCOTLAND PLC (AS SECURITY AGENT)**

Brief description: **THE SUBJECTS AT REDWOOD DRIVE, PEEL PARK, EAST KILBRIDE
BEING THE SUBJECTS REGISTERED IN THE LAND REGISTER OF
SCOTLAND UNDER TITLE NUMBER LAN198677.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

PAUL ANDERSON



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 57709

Charge code: SC05 7709 0210

The Registrar of Companies for Scotland hereby certifies that a charge dated 4th April 2017 and created by Stewart Milne Group Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th April 2017 .

Given at Companies House, Edinburgh on 12th April 2017

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

STANDARD SECURITY

by

STEWART MILNE GROUP LIMITED

in favour of

BANK OF SCOTLAND PLC
as Security Agent

**This Standard Security is entered into with the benefit of and subject to the terms of the
Intercreditor Agreement (as defined in this Standard Security)**

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THIS STANDARD SECURITY is entered into by:

- (1) **STEWART MILNE GROUP LIMITED**, a company incorporated in Scotland with registered number SC057709 and having its registered office at Peregrine House, Mosscroft Avenue, Westhill Business Park, Westhill, Aberdeen AB32 6JQ (the "**Chargor**"); in favour of
- (2) **BANK OF SCOTLAND PLC**, a company incorporated in Scotland with registered number SC327000 and having its registered office at The Mound, Edinburgh EH1 1YZ as agent and trustee for itself and for each of the other Secured Parties (as defined below) on the terms and conditions set out in the Intercreditor Agreement (as defined below) (in such capacity as agent and trustee hereinafter referred to as the "**Security Agent**" (which expression shall include each person appointed as the Security Agent at the date of this Standard Security or any additional security agent appointed for the purpose of, and in accordance with, the Intercreditor Agreement)).

WHEREAS

- (A) The Senior Lenders (as defined below) have agreed in accordance with the terms and conditions of the facilities agreement originally dated 7 November 2013, as amended and restated on 30 October 2015, as amended on 23 December 2015, as amended on 11 January 2016, as amended on 19 February 2016, as amended on 18 March 2016, as amended on 29 July 2016, as amended on 31 August 2016, as amended and restated on 28 September 2016, as amended on 31 October 2016, as amended on 3 November 2016, as amended on 30 December 2016, as amended on 20 January 2017, as amended on 31 January 2017, as amended on 10 February 2017, as amended on 28 February 2017, as amended on 3 March 2017, as amended on 10 March 2017, as amended and restated on or around the date hereof and as further amended, restated or supplemented from time to time between inter alia, the Chargor (1), the various banks and financial institutions named therein (2) and the Agent (as defined herein) (3) (hereinafter referred to as the "**Facilities Agreement**") to make available to the Borrowers (as defined below) certain term loan, revolving credit and ancillary facilities (hereinafter referred to as the "**Senior Facilities**").
- (B) The Ancillary Lenders (as defined below) may agree in accordance with the terms and conditions of the Facilities Agreement and certain ancillary documents (as such documents are amended, varied, supplemented, novated or replaced from time to time hereinafter referred to as the "**Ancillary Documents**") between inter alia the Borrowers and the Ancillary Lenders to make available to the Borrowers certain ancillary facilities (hereinafter referred to as the "**Ancillary Facilities**").
- (C) The Working Capital Bank (as defined below) has agreed in accordance with the terms and conditions of the Initial Working Capital Facility Agreement (as defined in the Facilities Agreement) (as such documents are amended, varied, supplemented, novated or replaced from time to time hereafter) to provide certain working capital facilities (hereinafter referred to as the "**Working Capital Facilities**").
- (D) The Hedge Counterparties (as defined below) may make after the date hereof interest rate hedging and other similar facilities (hereinafter referred to as the "**Hedging Facilities**").

available to an Obligor (as defined below) or another member of the Group (as defined below).

- (E) It is a condition subsequent to the Secured Parties making or continuing to make the Facilities (as defined below) available that the Chargor enters into this Standard Security.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions from the Facilities Agreement

Words and expressions defined in the Facilities Agreement or whose definitions are imported into the Facilities Agreement shall bear the same meaning in this Standard Security (including, without limitation, the recitals to this Standard Security) unless otherwise defined in this Standard Security or unless the context otherwise requires.

1.2. Definitions

In this Standard Security:

"Act" means The Conveyancing and Feudal Reform (Scotland) Act 1970 as amended by The Redemption of Standard Securities (Scotland) Act 1971.

"Agent" means the Agent as defined in the Facilities Agreement.

"Ancillary Lenders" means the Ancillary Lenders as defined in the Facilities Agreement and "Ancillary Lender" means any one of them.

"Borrower" means a Borrower as defined in the Facilities Agreement and "Borrowers" shall be construed accordingly.

"Enforcement Event" means the giving of a notice by the Agent to the Parent under Clause 27.20 (Acceleration) of the Facilities Agreement.

"Event of Default" means an Event of Default as defined in the Facilities Agreement.

"Facilities" means the Senior Facilities, the Hedging Facilities, the Ancillary Facilities and the Working Capital Facilities.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations (SI 2003 No. 3226).

"Finance Documents" means the Finance Documents as defined in the Facilities Agreement.

"Financial Indebtedness" means Financial Indebtedness as defined in the Facilities Agreement.

"Group" means the Group as defined in the Facilities Agreement.

"Guarantor" means a Guarantor as defined in the Facilities Agreement.

"Hedge Counterparty" means a Hedge Counterparty as defined in the Facilities Agreement and "Hedge Counterparties" shall be construed accordingly.

"Hedging Agreement" means any Hedging Agreement as defined in the Facilities Agreement.

"Intercreditor Agreement" means the intercreditor agreement dated 7 November 2013 and made between, amongst others, SMGL and the Agent, the Security Agent, the Senior Lenders, the Ancillary Lenders, the Hedge Counterparties and certain others as amended, restated or supplemented from time to time.

"Obligor" means an "Obligor" as defined in the Facilities Agreement and "Obligors" shall be construed accordingly.

"Property" means the subjects at Redwood Drive, Peel Park, East Kilbride being the subjects registered in the Land register of Scotland under Title Number LAN198677.

"Quasi-Security" means an arrangement or transaction in terms of which the Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group (other than pursuant to a Permitted Disposal);
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into an arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangements having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, cautioner, surety or otherwise or as the equivalent obligor under the laws of any other jurisdiction) of the Chargor or each other Obligor to the Security Agent and the Secured Parties (or any of them) under the Finance Documents together with (without double counting):

- (a) any refinancing, novation, refunding, deferral or extension of or increase in any of those obligations or liabilities;
- (b) any further advances and additional facilities which may be made by any Secured Party to the Chargor or any other Obligor under any Finance Documents and all interest, fees and costs in connection therewith;

- (c) any claim for damages or restitution in the event of rescission of any of those obligations or liabilities or otherwise in connection with any of the Finance Documents; and
- (d) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

"Secured Parties" means the Secured Parties as defined in the Facilities Agreement or any of them as the context requires and **"Secured Party"** shall be construed accordingly.

"Security" means a fixed security, standard security, mortgage, charge, pledge, lien, assignment in security, assignation in security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Senior Lenders" means the Lenders as defined in the Facilities Agreement and **"Senior Lender"** means any one of them.

"Working Capital Bank" means the Working Capital Bank as defined in the Facilities Agreement.

1.3. Interpretation

Save where the contrary is indicated, any reference in this Standard Security to:

- 1.3.1. **"assets"** includes present and future properties, revenues and rights of every description;
- 1.3.2. a **"company"** includes any body corporate;
- 1.3.3. **"fixed security"**, in relation to any property of a company, means any security (other than a floating charge or a charge having the character of a floating charge) which on the winding up of the company in Scotland would be treated as an effective security over that property including, in particular, a heritable security (within the meaning of Section 9(8) of the Conveyancing and Feudal Reform (Scotland) Act 1970);
- 1.3.4. **"guarantee"** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- 1.3.5. **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

- 1.3.6. a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.3.7. a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department or of any regulatory, self-regulatory or other authority or organisation;
- 1.3.8. "**set-off**" includes compensation, rights of retention and the balancing of accounts in bankruptcy;
- 1.3.9. a provision of law is a reference to that provision as amended or re-enacted;
- 1.3.10. the singular shall include the plural and vice versa;
- 1.3.11. this Standard Security and any provisions of this Standard Security or to any other agreements, instrument or document are to be construed as references to this Standard Security, those provisions or that agreement, instrument or document as amended, varied, supplemented, substituted, replaced or novated (however fundamentally) from time to time including (without limiting the generality of the foregoing) any variation, increase, extension or addition of or any variation of or to any facility or amount made available under any Finance Document or any variation of the purposes for which such facility or amount may be available from time to time; and
- 1.3.12. clause references are to be construed as references to the Clauses of this Standard Security as amended or varied from time to time and references to sub-clauses shall unless otherwise specifically stated be construed as references to the sub-clauses of the Clause in which the reference appears.

1.4. Successors and assignees

Any reference in this Standard Security to the Security Agent or a Secured Party shall include the successors, permitted assignees and permitted transferees of the Security Agent or such Secured Party.

1.5. Trust

The Security Agent shall hold the benefit of this Standard Security upon trust for the other Secured Parties in accordance with Clause 16 (The Security Agent) of the Intercreditor Agreement.

2. PAYMENT OBLIGATION

2.1. Undertaking to pay

The Chargor hereby, as principal debtor and not merely as surety, cautioner or guarantor, undertakes to the Security Agent for itself and on behalf of the other Secured Parties that it will pay or discharge the Secured Liabilities on the due date therefor in the manner

provided in the relevant Finance Document or, where no such provision is made in the Finance Documents, on written demand.

2.2. Interest

If the Chargor fails to pay any sum on the due date for payment of that sum, the Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with the provisions of Clause 11.3 (Default Interest) of the Facilities Agreement.

3. CHARGE

3.1. The Chargor in security of the Secured Liabilities hereby grants a standard security in favour of the Security Agent over the Property.

3.2. The Chargor in security of the Secured Liabilities hereby assigns absolutely and agrees to assign absolutely to the Security Agent all rights and claims to which the Chargor is now or may hereafter become entitled in relation to the Property.

3.3. The Chargor undertakes to deposit with the Security Agent, on the date of this Standard Security, all deeds and documents of title in their possession relating to the Property or to provide an undertaking acceptable to the Security Agent to hold the same to the order of the Security Agent.

4. STANDARD CONDITIONS

4.1. The Standard Conditions specified in Schedule 3 to the Act, and any lawful variation thereof operative for the time being (hereinafter referred to as the "**Standard Conditions**"), shall apply, save to the extent that they are inconsistent with the terms and conditions of this Standard Security or the Facilities Agreement (in which case the terms and conditions of and contained in this Standard Security or the Facilities Agreement (as appropriate) shall apply).

4.2. The Chargor and the Security Agent agree that the Standard Conditions shall be varied in accordance with the provisions of this Standard Security and to the effect that:

4.2.1. the insurance to be effected in terms of Standard Condition 5(a) shall provide cover to the extent of the full reinstatement value of the Property and not the market value thereof;

4.2.2. all rights and claims under insurance policies effected or deemed to have been effected under Standard Condition 5(a) are hereby assigned in security by the Chargor to the Security Agent and all monies becoming payable under any such policy shall be applied in making good the loss or damage in respect of which such monies become payable or, if the Security Agent so requires in or towards the discharge of sums received hereby;

- 4.2.3. the Security Agent shall not be required to give any notice of its exercise of the right of entry referred to in Standard Condition 7(2);
- 4.2.4. the interest rate for the purposes of Standard Condition 7(3) shall be the rate determined in accordance with the provisions of Clause 11.3 (Default Interest) of the Facilities Agreement;
- 4.2.5. for the purposes of Standard Condition 9(1) the Chargor shall be held to be in default while an Event of Default is continuing and, in the event of the Chargor being in default as aforesaid, then without prejudice to any other rights and remedies available to the Security Agent or any Secured Party by virtue of the Standard Conditions or any other security, charge or undertaking or in any other manner the Security Agent will be entitled to exercise any of the remedies available to a creditor on default of a borrower by virtue of the provisions of the Act.

5. DECLARATIONS

- 5.1. If there shall be any breach of the obligations or undertakings contained or referred to in this Standard Security the Security Agent and/or any other Secured Party shall (without prejudice to all other rights and powers available to it) be entitled, without notice to the Chargor, to withhold further facilities from the Chargor or any Obligor.
- 5.2. If the Security Agent and/or any other Secured Party receives notice of any subsequent charge or other interest affecting all or any part of the Property the Security Agent and/or the Secured Party may open a new account or accounts with the Chargor or any Obligor and, if or in so far as the Security Agent and/or the Secured Party does not open a new account or accounts, it shall nevertheless be treated as if it had done so at the time when it received such notice and as and from that time all payments made by the Chargor or any Obligor to the Security Agent and/or the Secured Party shall, notwithstanding any instructions by the Chargor or any Obligor to the contrary, be credited or treated as having been credited to the new account or accounts and shall not operate to reduce the amount due from the Chargor or any Obligor to the Security Agent and/or the Secured Party at the time when notice was received.
- 5.3. The Security Agent, upon entering into possession of the Property shall become and be the agent of the Chargor with authority, at the expense of the Chargor, to remove, store, preserve, sell or otherwise dispose of any moveable property in or upon the Property which the Chargor has refused or omitted to remove from the Property in such manner as the Security Agent may think fit, without the Security Agent being liable for any loss or damage occasioned by the exercise of this power except to the extent caused by the fraud, wilful neglect or default of the Security Agent or its officers, employees or agents.

6. NEGATIVE PLEDGE

6.1. No other fixed or floating charges

The Chargor shall not (without the prior written consent of the Security Agent) grant, create or permit to subsist any Security or Quasi-Security over all or any part of the Property except as permitted under the Facilities Agreement.

6.2. No disposals

The Chargor shall not (without the prior written consent of the Security Agent) sell, assign, lease, transfer or otherwise dispose of or part with possession of (by one or more transactions or a series of transactions whether related or not) the whole or any part of the Property except as permitted under the Facilities Agreement.

7. FURTHER ASSURANCE

7.1. Further assurance

The Chargor shall (at its own costs) promptly following receipt of demand in writing from the Security Agent do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

7.1.1. to perfect the Security created or intended to be created under or evidenced by this Standard Security for the exercise of any rights, powers and remedies of the Security Agent, any receiver or the Secured Parties provided by or pursuant to this Standard Security or by law; and

7.1.2. at any time after this Standard Security has become enforceable, to facilitate the realisation of the Property.

7.2. Necessary action

The Chargor shall take all such action as is available to it (including making all filings and registrations) as is necessary for the purposes of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties (or any of them) by or pursuant to this Standard Security.

8. APPLICATION OF MONIES

8.1. Application of Monies

All monies received by the Security Agent or by any receiver under this Standard Security shall (subject to the repayment of any claims having priority to this Standard Security) be applied in the following order:

8.1.1. in or towards payments of any debts or claims which are required by law to be paid in preference to the Secured Liabilities;

- 8.1.2. in or towards the payment of the costs, charges and expenses of and incidental to the enforcement of the Security hereby granted or constituted pursuant hereto;
- 8.1.3. in or towards the satisfaction of the Secured Liabilities in accordance with the terms of the Intercreditor Agreement; and
- 8.1.4. any surplus shall be paid to the Chargor or any other person entitled thereto.

8.2. Suspense account

Until all of the Secured Liabilities have been irrevocably paid in full, all monies received by the Security Agent or any receiver may, at the discretion of the Security Agent or receiver, be credited to an interest bearing suspense account and may be held in such account for so long as the Security Agent or receiver sees fit.

9. POWER OF ATTORNEY

9.1. Power of Attorney

The Chargor hereby irrevocably appoints the Security Agent to be its attorney and on its behalf and in its name to sign, seal, execute, deliver and perfect all deeds, instruments and documents which may be required for:

- 9.1.1. carrying out any obligation imposed on the Chargor by or pursuant to this Standard Security which the Chargor has not discharged in accordance with the terms of this Standard Security; and
- 9.1.2. enabling the Security Agent to exercise the rights and powers conferred upon them by this Standard Security or by law (including the right to sell, lease, convey, transfer or realise any of the Property).

The Security Agent shall have full power to delegate the power conferred on it by this Clause 9.1 and no such delegation shall preclude the subsequent exercise of such power by the Security Agent itself or preclude the Security Agent from making a subsequent delegation thereof to some other person and any such delegation may be revoked by the Security Agent at any time. The appointment pursuant to this Clause 9.1 is to take effect immediately but the rights and powers of the attorney pursuant to this Clause 9.1 are only exercisable upon the occurrence of an Enforcement Event or where the Chargor has failed to remedy a breach of its obligations under this Standard Security within 5 Business Days of such breach of obligation.

9.2. Ratification

The Chargor shall ratify and confirm all acts and things done and all deeds, instruments and/or documents signed, sealed, executed and/or perfected by any attorney in the exercise or purported exercise of all or any of its powers under Clause 9.1 above.

10. PRESERVATION OF SECURITY

10.1. Continuing Security

The Security created by or pursuant to this Standard Security shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Security Agent and shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Secured Liabilities or for any other reason.

10.2. Independence of Charge

The Security constituted by or pursuant to this Standard Security shall be in addition to and independent of, and shall not in any way prejudice or be prejudiced by, any other Security, right or remedy against any person which the Security Agent and the Secured Parties (or any of them) may at any time hold for the satisfaction of all or any part of the Secured Liabilities.

10.3. Waiver of Defences

Neither the obligations of the Chargor under this Standard Security nor the rights, powers and remedies conferred in respect of the Chargor upon the Security Agent will be affected by any act, omission, matter or thing which, but for this Clause 10.3, would reduce, release or prejudice any of those obligations or those rights, powers and remedies (without limitation and whether or not known to the Chargor or any Secured Party) including:

- 10.3.1. any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 10.3.2. the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of an Obligor or any other member of the Group;
- 10.3.3. the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 10.3.4. any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 10.3.5. any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;

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

10.3.7. any insolvency or similar proceedings.

10.4. Rights Cumulative

The obligations of the Chargor contained in this Standard Security and all rights, powers and remedies of the Security Agent expressed in this Standard Security are in addition to and independent of all other rights, powers and remedies possessed by the Security Agent including, without limitation, those provided for in any Finance Document, by applicable law or in any other written instrument or agreement relating to the Chargor's obligations or the Property.

10.5. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Agent or any Secured Party, any right or remedy under this Standard Security shall operate as a waiver of any such right or remedy. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy.

10.6. Partial Invalidity

If, at any time, any provision of this Standard Security 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 Standard Security nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

11. PRESERVATION OF RIGHTS

11.1. Other than as provided in this Standard Security, the Security Agent shall not be obliged before exercising any of the rights, powers, discretions or remedies conferred upon it by this Standard Security or by law:

11.1.1. to take any action, including but not limited to the giving of notice to, or making any demand upon, the Chargor or any other person or the obtaining or enforcement of any judgment, decree or order in any court against the Chargor or any other person;

11.1.2. to make or file any claim or proof in the administration, winding-up or liquidation of the Chargor or any other person; or

11.1.3. to enforce or seek to enforce any of its rights, powers, discretions or remedies under any other Security in respect of the Secured Liabilities.

12. SET-OFF

A Secured Party may set-off any matured obligation due from the Chargor under the Finance Documents (to the extent owed to that Secured Party) against any matured

obligation owed by that Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

13. CHANGES IN SECURED LIABILITIES

The Chargor expressly agrees and acknowledges that the parties to the Finance Documents may from time to time agree to make amendments to the terms of those documents and may enter into such supplemental agreements as are required from time to time in order to give effect to such amendments. Such amendments may include, inter alia, the increase or reduction of the facilities made available under those documents and, for the avoidance of doubt, those facilities will form part of the Secured Liabilities under and in terms of this Standard Security.

14. ASSIGNATION

14.1. The Security Agent

The Security Agent may (without prejudice to its right to appoint any joint trustee) assign and transfer all or any of its rights and obligations under this Standard Security to any person appointed as its replacement as Security Agent (or any joint trustee) in accordance with the terms of the Intercreditor Agreement. The Security Agent shall be entitled to disclose information concerning the Chargor and this Standard Security in accordance with the terms of the Facilities Agreement.

14.2. The Chargor

The Chargor may not assign or transfer any of its obligations under this Standard Security or enter into any transaction which would result in any of those rights or obligations passing to another person.

15. INDEMNITY

15.1. Indemnity

The Chargor shall indemnify the Security Agent and any receiver against any cost, loss or liability incurred by either of them as a result of:

- 15.1.1. the taking, holding, protection or enforcement of this Standard Security;
- 15.1.2. the exercise or purported exercise of any of the rights, powers, discretions and remedies vested in the Security Agent and each receiver by this Standard Security or by law; or
- 15.1.3. any default by the Chargor of any of the obligations expressed to be assumed by it in this Standard Security,

and any such receiver may retain and pay all sums in respect of the same out of monies received under powers conferred by the Insolvency Act 1986.

15.2. Restriction on indemnity

The indemnity under Clause 15.1 shall not apply to any cost, loss or liability incurred by the Security Agent or any receiver where the Security Agent or receiver (as appropriate) has acted with gross negligence or wilful misconduct.

16. RELEASE AND DISCHARGE

16.1. Release

Subject to Clause 16.2 (Conditional Discharge), the Chargor shall be entitled, after the Secured Liabilities have been irrevocably and unconditionally discharged in full and none of the Secured Parties being under any actual or contingent obligations to make available any facilities of any kind whatsoever to the Chargor under any of the Finance Documents, to require, at its cost and request, the release of any of the Secured Assets charged under this Standard Security and the Security Agent will execute such documents as may be required to release the Assets from the security created by the Standard Security and to discharge the Chargor from its obligations under this Standard Security.

16.2. Conditional Discharge

Any settlement or discharge between the Chargor and the Security Agent shall be conditional upon no security or payment to the Security Agent by the Chargor or any other person on behalf of the Chargor being avoided or reduced by the virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, if any such payment is so avoided or reduced, the Security Agent shall be entitled to recover the value or amount of such security or payment from the Chargor subsequently as if such settlement or discharge had not occurred.

17. DISCRETION AND DELEGATION

17.1. Discretion

Any power or right which may be exercised by the Security Agent or any receiver under this Standard Security may, subject to the terms and conditions of the Intercreditor Agreement, be exercised in the absolute and unfettered discretion of the Security Agent or receiver and without any obligation to give reasons.

17.2. Delegation

The Security Agent and any receiver may delegate (either generally or specifically) by power of attorney or any other manner to any person any right, power, authority or discretion conferred on it by this Standard Security (including the power of attorney granted under Clause 9 (Power of attorney)). The Security Agent and any receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit. Any such delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such right, power, authority or discretion by the Security Agent or the receiver.

17.3. Consent to registration

The Chargor hereby consents to the registration of this Standard Security and of any account or certificate referred to in Clauses 17.1 and 17.2 above for preservation and execution.

18. CALCULATIONS AND CERTIFICATES

18.1. Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Standard Security, the Chargor agrees and acknowledges that the entries made in the accounts maintained by a Secured Party are prima facie evidence of the matters to which they relate.

18.2. Certificates and determinations

The Chargor agrees and acknowledges that, any certificate or determination by a Secured Party of a rate or amount under this Standard Security is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

19. NOTICES

19.1. Communications in writing

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

19.2. Addresses

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

19.2.1. in the case of the Chargor:

Address:

Fax:

Attention: Stuart MacGregor; and

19.2.2. in the case of the Security Agent:

Address:

Fax:

Attention: Richard Lovell,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Agent (or the Security Agent may notify to the Chargor, if a change is made by the Security Agent) by not less than five Business Days' notice.

19.3. Delivery

19.3.1. Any communication or document made or delivered by one person to another under or in connection with this Standard Security will only be effective:

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

and, if a particular department or officer is specified as part of its address details provided under Clause 19.2 (Addresses), if addressed to that department or officer.

19.3.2. Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer (if any) specified as part of its address details provided under Clause 19.2 (Addresses) (or any substitute department or officer as the Security Agent shall specify for this purpose).

19.3.3. Any communication or document which becomes effective, in accordance with Clause 19.3.1 and 19.3.2 above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

19.4. Electronic communication

19.4.1. Any communication to be made under or in connection with this Standard Security may be made by electronic mail or other electronic means (including, without limitation, by posting to a secure website) if the parties:

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

19.4.2. Any such electronic communication as specified in Clause 19.4.1 above to be made between the Chargor and the Security Agent or a Secured Party may only be made in that way to the extent that those parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

- 19.4.3. Any such electronic communication as specified in Clause 19.4.1 above made between any two parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- 19.4.4. Any electronic communication which becomes effective, in accordance with Clause 19.4.3 above, after 5.00 p.m. in the place in which the party to whom the relevant communication is sent or made available has its address for the purpose of this Standard Security shall be deemed only to become effective on the following day.
- 19.4.5. Any reference in this Standard Security to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 19.4.

19.5. English language

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

20. DEPOSIT OF DEEDS

The Security Agent shall be entitled to place all deeds and documents of title deposited with it under or pursuant to this Standard Security in any safe deposit, safe or other storage selected by the Security Agent or with any solicitor or firm of solicitors and may make any such arrangements as it thinks fit for allowing the Chargor access to such documents when necessary or convenient and the Security Agent shall not be responsible for any loss incurred in connection with any such deposit or access (except to the extent that such loss is incurred as a result of the gross negligence or wilful misconduct of the Security Agent or its officers, employees or agents).

21. GOVERNING LAW

This Standard Security and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Scots law.

22. JURISDICTION

22.1. Jurisdiction of Scottish Courts

The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Standard Security (including a dispute regarding the existence, validity or release of this Standard Security) or any non-contractual obligation arising out of or in connection with this Standard Security (a "Dispute").

22.2. Convenient Forum

The Chargor agrees that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary.

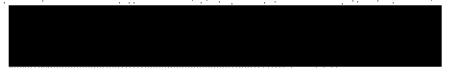
23. WARRANDICE AND CONSENT TO REGISTRATION

23.1. The Chargor hereby grants warrandice.

23.2. The Chargor hereby consents to the registration of this Standard Security and of any certificate referred to in Clause 18 (Calculations and certificates) above for preservation and execution:

IN WITNESS whereof these presents consisting of this and the preceding 16 pages are executed as follows:

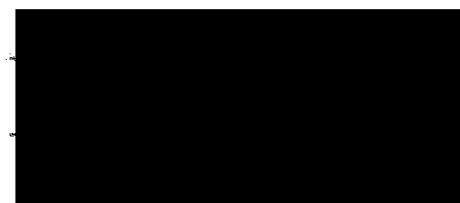
For and on behalf of STEWART MILNE GROUP LIMITED



Signature of witness

SCOTT MARTIN

Full name of above (print)



Address of witness



Signature of Director/secretary/authorised signatory

STUART MACGREGOR

Full name of above (print)

29/3/17

Date of signing

WESTMILL, ABERDEEN

Place of signing