



**Registration of a Charge**

Company Name: **HIGHLANDS AND ISLANDS AIRPORTS LIMITED**

Company Number: **SC097647**



Received for filing in Electronic Format on the: **09/06/2021**

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**Details of Charge**

Date of creation: **04/06/2021**

Charge code: **SC09 7647 0004**

Persons entitled: **DERRICK LANG AS TRUSTEE  
BESTRUSTEES LIMITED AS TRUSTEE  
DON MACLEOD AS TRUSTEE  
DUNCAN SMITH AS TRUSTEE**

**There are more than four persons entitled to the charge.**

Brief description: **ALL AND WHOLE THE SUBJECTS KNOWN AS AND FORMING NEW CENTURY HOUSE, STADIUM ROAD, INVERNESS IV1 1FJ BEING THE SUBJECTS REGISTERED IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NUMBER INV47951.**

**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:

**DARREN CRAIG FOR AND ON BEHALF OF CMS CAMERON  
MCKENNA NABARRO OLSWANG LLP.**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 97647

Charge code: SC09 7647 0004

The Registrar of Companies for Scotland hereby certifies that a charge dated 4th June 2021 and created by HIGHLANDS AND ISLANDS AIRPORTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th June 2021 .

Given at Companies House, Edinburgh on 9th June 2021

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**

DATE: 21 May 2021

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**STANDARD SECURITY**

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by  
**HIGHLANDS AND ISLANDS AIRPORTS LIMITED**  
in favour of  
**TRUSTEES OF THE HIGHLANDS AND ISLANDS AIRPORTS PENSION SCHEME**

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THIS STANDARD SECURITY is delivered on

21 May

2021

and is granted by:

- (1) **Highlands and Islands Airports Limited** incorporated under the Companies Acts as company number SC097647 and having its registered office at Inverness Airport, Inverness IV2 7JB (the **Chargor**)

in favour of

- (2) (a) **Derrick Lang**, care of Highlands and Islands Airports Limited at Dundee Airport, Riverside, Dundee DD2 1UH;
- (b) **BESTrustees Limited** incorporated under the Companies Acts as company number 02671775 and having its registered office at Five Kings House, 1 Queen Street Place, London EC4R 1QS;
- (c) **Don MacLeod**, care of Highlands and Islands Airports Limited, at Stornoway Airport, Isle of Lewis, HS2 0BN;
- (d) **Duncan Smith**, care of Highlands and Islands Airports Limited, at Stornoway Airport, aforesaid;
- (e) **Alan Stewart**, care of Highlands and Islands Airports Limited, at Inverness Airport aforesaid;
- (f) **David Swift**, care of Highlands and Islands Airports Limited, at Inverness Airport aforesaid; and
- (g) **Anthony Torreggiani**, care of Highlands and Islands Airports Limited, at Inverness Airport aforesaid,

all as trustees of the Highlands and Islands Airports Pension Scheme and any other person who is from time to time a trustee of the Highlands and Islands Airports Pension Scheme (each a **Trustee** and together the **Trustees**).

#### WHEREAS

- (A) The Highlands and Islands Airports Pension Scheme (the **Scheme**) was established with effect from 1 December 2003 by a Definitive Trust Deed dated 17 November 2003 with Rules attached (as amended from time to time, the **Trust Deed** and the **Rules**).
- (B) The Trustees are the Trustees of the Scheme and the Chargor is the Principal Employer and the only Employer under the Scheme, all as defined by and provided for under the Trust Deed and the Rules.
- (C) Under the terms of a Framework Agreement dated on or about the date or dates of this Standard Security (the **Framework Agreement**) the Chargor agreed to provide the Trustees with a standard security over the Security Subjects in security of its obligations to the Scheme. This Standard Security is the standard security contemplated by the Framework Agreement.

**NOW IT IS AGREED AS FOLLOWS**

**1 INTERPRETATION**

**1.1 Definitions**

In this Standard Security:

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

**Creditors' Process** means, in relation to a person, any expropriation, attachment, sequestration, distress or execution (or any analogous event in any jurisdiction) which affects any material part of the assets of that person, and is not discharged within fourteen (14) days.

**Demand** means any demand made on the Chargor by the Trustees under Clause 2 (Obligation to pay) in relation to the Secured Liabilities of the Chargor.

**Event of Default** means an event specified as such in Clause 7 (Default).

**Fixtures** means all fixtures and fittings and fixed plant and machinery on the Security Subjects.

**Headlease** means any lease under which the Security Subjects may be held by the Chargor.

**Insolvency Event** means in respect of the Chargor:

- (a) an 'insolvency event' as defined in Section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (b) the receipt by the Pension Protection Fund of an application or notification from the Trustees or the Pensions Regulator that the Chargor is unlikely to continue as a going concern, which is purported to be made in accordance with Section 129 of the Pensions Act 2004 or regulations made from time to time thereunder.

**Insolvency Proceedings** means in respect of any person:

- (a) any procedure or step is taken with a view to a moratorium or a composition, assignation or similar arrangement with any of its creditors;
- (b) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), or any such resolution is passed;
- (c) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- (d) any security interest is enforced by any person over any material part of its assets;
- (e) an order for its winding-up, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) is made;

- (f) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any material part of its assets;
- (g) its shareholders, directors or other officers or that person itself request(s) or apply/ies to court for the appointment of, or give(s) notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer; or
- (h) any other analogous step or procedure taken in respect of that person in any jurisdiction.

**Material Adverse Effect** in relation to this Standard Security means a material adverse effect upon:

- (a) the validity or enforceability of, or the effectiveness, making or ranking of, this Standard Security; or
- (b) the validity or enforceability, or the effectiveness or ranking of any right or remedy of the Trustees under this Standard Security.

**Net Enforcement Proceeds** means, in relation to the Security Subjects the proceeds of sale or enforcement collected or received by the Trustees arising from the Security Subjects following the enforcement of this Standard Security less all costs, expenses, remuneration and other items relating to such sale or enforcement.

**Pension Protection Fund** means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004.

**Pensions Regulator** means the body of that name and referred to as the "Regulator" in the Pensions Act 2004.

**Schedule** means the Schedule annexed and executed as relative hereto.

**Secured Liabilities** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the Chargor to make payments to the Scheme.

**Security Period** means the period beginning on the date of this Standard Security and ending on the date on which all Secured Liabilities which may be or become due have been unconditionally and irrevocably paid and discharged in full.

**Security Subjects** means the interest in land more particularly described in the Schedule (Security Subjects) together with all fixtures and fittings and fixed plant and machinery therein and thereon, the whole rights in common, mutual and exclusive effeiring thereto and the Chargor's whole right, title and interest, present and future therein and thereto.

**Standard Conditions** means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970.

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

**Tax Deduction** means a deduction or withholding for or on account of Tax from a payment under this Standard Security.



**Valuation** means a valuation of the Chargor's interest in the Security Subjects by the Valuer, addressed to the Trustees and prepared on the basis of the market value as that term is defined in the then current Statements of Asset Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors.

**Valuer** means a surveyor or valuer appointed by the Trustees.

## **1.2 Construction**

- (a) In this Standard Security unless the contrary intention appears, a reference to:
- (i) the Chargor, the Trustees and the Scheme includes their respective successors in title, permitted assignees and permitted transferees;
  - (ii) assets includes present and future properties, revenues and rights of every description and includes uncalled capital;
  - (iii) an authorisation includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
  - (iv) a person includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
  - (v) legislation includes any regulation, rule, official directive, request or guidance (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department of any regulatory, self-regulatory or other authority or organisation;
  - (vi) Sterling or £ is a reference to the lawful currency for the time being of the United Kingdom;
  - (vii) a provision of law is a reference to that provision as previously enacted or as extended, applied, amended or re-enacted and includes any subordinate legislation;
  - (viii) a Clause, a Subclause, a Paragraph, a Subparagraph or a Schedule is a reference to a clause, a subclause, a paragraph or a subparagraph of, or a schedule to, this Standard Security;
  - (ix) the Chargor, a Trustee, the Trustees or any other person includes that or those persons' successors in title, permitted assignees and permitted transferees and in particular this Standard Security shall be binding on and enforceable by any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme (and this Subparagraph (ix) shall be in addition to, and not affect, the provisions of applicable law relating to the transfer of assets and liabilities from one Trustee to another);
  - (x) this Standard Security (or any specified provision of it) or any other document shall be construed as a reference to this Standard Security, that provision or that document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;

- (xi) 'including' shall not be construed narrowly but be taken as reading including without limitation;
- (xii) a time of day is a reference to the currently applicable time in Scotland; and
- (xiii) words importing the singular shall include the plural and vice versa.
- (b) Unless the contrary intention appears, a reference to a month or months is a reference to a period starting on one (1) day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
  - (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
  - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
  - (iii) notwithstanding Subparagraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) The headings in this Standard Security do not affect its interpretation.
- (d) Any obligation of the Chargor under this Standard Security (other than a payment obligation) remains in force during the Security Period.
- (e) If the Trustees consider that an amount paid to them under this Standard Security is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Standard Security.
- (f) Words and expressions defined in the Framework Agreement have the same meanings in this Standard Security, except where another meaning or definition is stated.

### **1.3 Framework Agreement**

Except where expressly stated, nothing in this Standard Security shall supersede the provisions of the Framework Agreement.

## **2 OBLIGATION TO PAY**

- 2.1 The Chargor undertakes to the Trustees that it will pay or discharge all the Secured Liabilities when they become due for payment or discharge.

## **3 CREATION OF SECURITY**

### **3.1 Standard Security**

- (a) We the Chargor HEREBY in security of the payment, discharge and performance of the Secured Liabilities, GRANT a standard security in favour of the Trustees over ALL and WHOLE the Security Subjects. The Standard Conditions shall apply to this Standard Security as varied in accordance with clause 3.2.

- (b) The payment obligations of the Chargor under this Standard Security shall survive the enforcement of this Standard Security.

### **3.2 Variation of Standard Conditions**

The Standard Conditions are varied in their application to this Standard Security as follows:-

- (a) Standard Conditions 1, 2, 4, 5, 6 and 12 do not apply to this Standard Security.
- (b) The provisions of this Standard Security shall apply in addition to or in place of the remaining Standard Conditions.

### **3.3 Limit on amount recoverable**

- (a) The total amount in aggregate which may be:
  - (i) recovered from the Chargor pursuant to all Demands in relation to the Chargor's Secured Liabilities; and/or
  - (ii) applied by the Trustees against the Chargor's Secured Liabilities from any Net Enforcement Proceeds,shall not exceed
  - (iii) an amount equal to the entire aggregate liability (on the reference date) of every employer (within the meaning set out in Section 318 of the Pensions Act 2004 and regulations made thereunder) in relation to the Scheme, were a debt under Section 75 of the Pensions Act 1995 to have become due on the reference date (where reference date means the date of the Insolvency Event to which (1) the relevant Demand relates or (as the case may be) (2) the relevant application of Net Enforcement Proceeds relates (including as contemplated by Paragraph 12.7(b) (Appropriations)) or, in either case if earlier, on the calculation date for debt due under Section 75 of the Pensions Act 1995 as nominated by the Trustees following the start of the winding up of the Scheme.
- (b) Any Demand, and/or payment by the Chargor pursuant to any Demand, and/or any application of Net Enforcement Proceeds (including as contemplated by Paragraph 12.7(b) (Appropriations)) shall not reduce the amount referred to in Paragraph (a) (iii) above.
- (c) The Trustees shall determine (acting reasonably) at the cost of the Chargor, using such legal, financial, accounting, pensions or other professional adviser(s) as the Trustees may select, the amount referred to in Paragraph (a)(i) above by reference to Section 75 of the Pensions Act 1995 and shall notify the Chargor of such determination. The Chargor shall on demand reimburse the Trustees for any costs and expenses incurred by the Trustees in relation to such determination.

## **4 PAYMENTS**

### **4.1 Funds**

Payments under this Standard Security to the Trustees must be made for value on the due date at such times and in such funds as the Trustees may specify to the Chargor as being

customary at the time for the settlement of transactions in the relevant currency in the place for payment.

**4.2 Currency**

Any amount payable under this Standard Security is payable in Sterling.

**4.3 No set-off or counterclaim**

All payments made by the Chargor under this Standard Security shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

**4.4 Business Days**

If a payment under this Standard Security is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

**5 CHARGOR REPRESENTATIONS**

**5.1 Representations**

The representations set out in this Clause 5 are made by the Chargor to the Trustees.

**5.2 Status**

The Chargor is a limited company duly incorporated and existing under the laws of its jurisdiction of incorporation, it possesses the capacity to sue and be sued in its own name.

**5.3 Powers and authority**

The Chargor has the power to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, this Standard Security and the transactions contemplated by this Standard Security.

**5.4 Non-conflict**

So far as the Chargor is aware, the entry into and performance by it of, and the transactions contemplated by, this Standard Security do not and will not:

- (a) conflict with any law, regulation, directive, or any judgement, order or decree of any court applicable to it or any of its Subsidiaries;
- (b) require any government consent in order to be effective;
- (c) conflict with its constitutional documents; or
- (d) conflict with any document which is binding upon it or any of its assets or constitute a default or termination event (howsoever described) under any such document.

**5.5 No insolvency**

So far as the Chargor is aware, no Insolvency Proceedings or Creditors' Process have been taken or threatened in relation to it and no Insolvency Event applies to the Chargor.

**5.6 Authorisations**

All authorisations required by the Chargor in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Standard Security have been obtained or effected (as appropriate) and are in full force and effect, including any consent required under any Headlease.

**5.7 Litigation**

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened against the Chargor or any of its Subsidiaries, which have or, if adversely determined, are likely to have a Material Adverse Effect upon this Standard Security.

**5.8 Centre of main interest and establishments**

For the purposes of the Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the Regulations) the Chargor's "centre of main interest" (as that term is used in Article 3(1) of the Regulations) is situated in the United Kingdom and it has no "establishment" (as that term is used in Article 21 of the Regulation) in any other jurisdiction.

**5.9 Time for making representations**

The representations set out in this Standard Security are made by the Chargor on the date of execution hereof.

**6 ALTERATION, USE AND MANAGEMENT OF THE SECURITY SUBJECTS**

**6.1 Alteration, Use and Management of the Security Subjects**

The Chargor shall not be restricted in the alteration, use or management of the Security Subjects, provided that the Chargor shall notify the Trustees in advance of any substantial change of use of the Security Subjects. For the avoidance of doubt, the consent of the Trustees is not required to any sub-letting of the Security Subjects in part or in whole.

6.2 The Trustees will not unreasonably withhold or delay consent to an area of the Security Subjects adjacent to the public road (the location and extent of such area to be determined) (**Roadworks Area**) being removed from the Security Subjects if required by the Chargor to dispose of to facilitate future roadworks. The Trustees will be deemed to be acting unreasonably in withholding consent if the removal of the Roadworks Area from the Security Subjects does not materially adversely affect the value and marketability of the Security Subjects. The Trustees will co-operate with the Chargor in facilitating the removal of the Roadworks Area from the Security Subjects, including executing such reasonable deed of retraction as required.

**7 DEFAULT**

**7.1 Events of Default**

Each of the events set out in this Clause 7 is an Event of Default and shall be in addition to those grounds specified in Standard Condition 9 of the Standard Conditions.

**7.2 Failure to Pay Secured Liability**

There is an Event of Default if the Chargor does not pay or discharge any Secured Liability within 21 Business Days after the Trustees have given prior written notice to the Chargor that the Secured Liability concerned has become due and payable.

**7.3 Insolvency**

There is an Event of Default if an Insolvency Event occurs in respect of the Chargor.

**7.4 Insolvency proceedings**

(a) There is an Event of Default if, except as provided in Paragraph (b) below, any Insolvency Proceeding occurs in respect of the Chargor.

(b) Paragraph (a) above does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out prior to being advertised and in any event within fourteen (14) days.

**7.5 Creditors' process**

There is an Event of Default if any Creditors' Process occurs and affects any material assets of the Chargor.

**7.6 Cessation of business**

There is an Event of Default if the Chargor ceases to carry on business, unless the Trustees agree that such cessation shall not constitute an Event of Default.

**8 WHEN SECURITY BECOMES ENFORCEABLE**

**8.1 Framework Agreement**

This Standard Security and the rights of the Trustees hereunder will become enforceable following an Event of Default, but only in the circumstances provided for in the Framework Agreement.

**8.2 Discretion**

After this Standard Security has become enforceable, the Trustees may in their absolute discretion but subject to the provisions of the Conveyancing and Feudal Reform (Scotland) Act 1970 enforce all or any part of this Standard Security and their rights hereunder in any manner they see fit.

**9 EXPENSES AND INDEMNITY**

**9.1 Amendment costs**

If the Chargor requests an amendment, waiver or consent in respect of this Standard Security the Chargor shall, within ten (10) Business Days of demand, reimburse the Trustees for the amount of all proper and reasonable costs and expenses (including legal fees) reasonably incurred by the Trustees in responding to, evaluating, negotiating or complying with that request.

**9.2 Enforcement and preservation costs**

The Chargor shall, within ten (10) Business Days of demand, pay to the Trustees the amount of all proper and reasonable costs and expenses (including legal fees) properly and reasonably incurred by the Trustees in connection with the enforcement of or the preservation of any rights under this Standard Security and any proceedings instituted in any jurisdiction by or against the Trustees as a consequence of taking, holding or enforcing this Standard Security.

**9.3 Stamp taxes and fees**

The Chargor shall pay and, within ten (10) Business Days of demand, indemnify the Trustees against any cost, loss or liability that the Trustees incur in relation to all land and buildings transaction tax, stamp duty, stamp duty land tax, registration and other similar Tax and fees payable in respect of this Standard Security.

**9.4 Chargor default**

The Chargor shall, within ten (10) Business Days of demand, indemnify the Trustees against any proper and reasonable cost, expense, loss or liability properly and reasonably incurred by the Trustees (the Trustees taking all reasonable steps to mitigate such costs, expenses, losses or liabilities) as a result of:

- (a) the occurrence of any Event of Default in relation to the Chargor;
- (b) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Standard Security.

**9.5 Value added taxes**

- (a) Any amount payable under this Standard Security by the Chargor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Chargor must pay to the Trustees (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax.
- (b) If the Chargor is required by this Standard Security to reimburse or indemnify the Trustees for any cost or expense, the Chargor shall reimburse or indemnify (as the case may be, the Trustees in either case taking all reasonable steps to mitigate the cost of expense) the Trustees for the full amount of such cost or expense, including such part thereof as a value added tax or any other Tax of a similar nature, save to the extent that the Trustees reasonably determine that they are entitled to a credit or repayment in respect of such Tax from the relevant tax authority.

**9.6 Tax gross-up**

- (a) The Chargor must make all payments to be made by it under this Standard Security without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If the Chargor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Trustees.
- (c) If a Tax Deduction is required by law to be made by the Chargor or the Trustees, the amount of the payment due from the Chargor will be increased to an amount

which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

- (d) If the Chargor is required to make a Tax Deduction, the Chargor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (e) Within thirty (30) days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Chargor must deliver to the Trustees evidence satisfactory to them (acting reasonably) that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

## **10 PRESERVATION OF SECURITY**

### **10.1 Continuing security**

- (a) The security constituted by this Standard Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge of part only of the Secured Liabilities.
- (b) The Chargor's obligations under this Standard Security will for the avoidance of doubt remain binding on the Chargor notwithstanding any amalgamation, reconstruction, reorganisation, merger, sale or transfer of the Chargor.

### **10.2 Reinstatement**

- (a) If any discharge, release or arrangement is made by the Trustees in whole or in part on the faith of any payment, security or other disposition which is avoided, set aside, refunded or reduced under any applicable law or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Standard Security will continue as if the discharge, release or arrangement had not occurred.
- (b) The Trustees may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **10.3 Waiver of defences**

The liabilities and obligations of the Chargor under this Standard Security shall remain in full force and effect and will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Standard Security including (without limitation and whether or not known to the Chargor or any Trustee):

- (a) any time, waiver, consent or other accommodation granted to, or composition with, any person;
- (b) any release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) 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;



- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person; and
- (f) any insolvency or similar proceedings.

**10.4 Immediate recourse**

The Chargor waives any right it may have of first requiring any Trustee (or any trustee, agent or appointee on its behalf) to proceed against or enforce any other right or security or claim payment from any person before claiming from the Chargor under this Standard Security. This waiver applies irrespective of any law to the contrary.

**10.5 Appropriations**

Each Trustee (or any trustee, agent or appointee on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Standard Security:

- (a)
  - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee (or any trustee, agent or appointee on its behalf) in respect of those amounts; or
  - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest bearing suspense account any Net Enforcement Proceeds and any moneys received from the Chargor or on account of the Chargor's liability under this Standard Security including, without prejudice to the generality of the foregoing, until an Insolvency Event has occurred in relation to the Chargor.

**10.6 Non-competition**

Unless:

- (a) the Security Period has expired; or
- (b) the Trustees otherwise direct,

the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Standard Security or by reason of any amount being payable, or liability arising, under this Standard Security:

- (i) to be subrogated to any rights, security or moneys held, received or receivable by any Trustee;
- (ii) to claim any contribution or indemnity from any other guarantor of the Chargor's obligations or liabilities to make payments to the Scheme or in respect of any payment made or moneys received on account of the Chargor's liability under this Standard Security;
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Trustees in respect of the Chargor's obligations or liabilities to make payments to the Scheme, or under or pursuant to any other guarantee or security taken by the Trustees pursuant to or in connection with such obligations or liabilities of the Chargor;

- (iv) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of any Secured Liability;
- (v) to exercise any right of set-off against the Chargor; or
- (vi) to claim, rank, prove or vote as a creditor of the Chargor, or its estate in competition with the Trustees (or any trustee or agent on their behalf).

If the Chargor receives any payment, distribution, benefit or security in relation to such rights it shall hold that payment, distribution, benefit or security on trust for the Trustees and immediately pay or transfer the same to the Trustees or in accordance with any directions given by the Trustees.

#### **10.7 Additional security**

This Standard Security is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee, security, right or remedy now or subsequently obtained or held by the Trustees.

### **11 CHANGES TO THE PARTIES**

#### **11.1 Assignations and transfers by the Chargor**

The Chargor may not assign or transfer any of its rights and obligations under this Standard Security without the prior consent of the Trustees, which consent shall not be unreasonably withheld.

#### **11.2 Assignations and transfers by the Trustees**

- (a) The Chargor acknowledges that:
  - (i) the rights and obligations of the Trustees under this Standard Security may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004; and
  - (ii) the rights and obligations under this Standard Security shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.
- (b) Each Trustee may at any time and from time to time (without consent of or notice to the Chargor) assign and/or transfer any or all of its rights and/or obligations under this Standard Security to any person or persons.

### **12 AMENDMENTS**

- (a) Any amendment of this Standard Security shall be in writing and signed by, or on behalf of, both the Chargor and the Trustees.
- (b) The Chargor and the Trustees may agree any amendments of any kind to this Standard Security (including for the avoidance of doubt to Subclause 3.3) or to release the Chargor from this Standard Security, provided any such amendment is in writing and signed by, or on behalf of, both the Chargor and the Trustees and any release of this Standard Security is in conformity with any statutory form and complies with statutory requirements.

**13 SUBSTITUTION OF PROPERTY**

- 13.1 The Chargor may, at any time, submit to the Trustees a request (the **Substitution Request**) that there be substituted for any property forming part of the Security Subjects another property, or that this Standard Security be replaced by another security.
- 13.2 The Trustees may agree to and implement any Substitution Request

**14 SET-OFF**

- 14.1 The Trustees may set off any matured obligation owed to them by the Chargor under this Standard Security (to the extent beneficially owned by the Trustees) against any obligation (whether or not matured) owed by the Trustees to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Trustees may convert either obligation at a market rate of exchange selected by it (acting reasonably) for the purpose of the set-off.

**15 SEVERABILITY, REMEDIES AND WAIVERS**

- 15.1 If a term of this Standard Security is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, that shall not affect:
- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Standard Security; or
  - (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Standard Security.
- 15.2 No failure to exercise, nor any delay in exercising, on the part of any Trustee, any right or remedy under this Standard Security shall operate as a waiver of any such right or remedy or constitute an election to affirm this Standard Security. No election to affirm this Standard Security on the part of any Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Standard Security are cumulative and not exclusive of any rights or remedies provided by law.

**16 CERTIFICATES AND DETERMINATIONS**

- 16.1 Any certification or determination by the Trustees of an amount under this Standard Security is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

**17 NOTICES**

**17.1 In writing**

Unless it is agreed to the contrary, any communication, consent or agreement in connection with this Standard Security must be in writing and, unless otherwise stated, may be given in person, by post or by email.

**17.2 Effectiveness**

- (a) Except as provided below, any communication in connection with this Standard Security will be deemed to be received as follows:
  - (i) if delivered in person, at the time of delivery;

- (ii) if posted by recorded delivery post, at the time of delivery or, if sooner, five (5) days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and
  - (iii) if by email, when received in legible form.
- (b) A communication given under Paragraph (a) above and received or deemed to be received either on a day that is not a Business Day or on a Business Day but after 5 p.m. will only be deemed to be given on the next Business Day.

## **18 GOVERNING LAW**

- 18.1 The validity, operation and interpretation of this Standard Security shall in all respects be governed by the laws of Scotland.

## **19 ENFORCEMENT**

### **19.1 Jurisdiction**

- (a) The Scottish courts have exclusive jurisdiction to settle any dispute in connection with this Standard Security (including any dispute relating to the existence, validity or termination of this Standard Security or to any non-contractual obligation arising out of or in connection with this Standard Security).
- (b) The Chargor and the Trustees agree that the Scottish courts are the most appropriate and convenient courts to settle any such dispute.

### **19.2 Waiver of immunity**

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Trustee against it in relation to this Standard Security and to ensure that no such claim is made on its behalf;
- (b) waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:
  - (i) the giving of any relief by way of injunction, interdict or order for specific performance or for the recovery of assets or revenues; and
  - (ii) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues.

## **20 WARRANDICE**

- 20.1 The Chargor grants warrandice but excepting therefrom all existing leases and other rights of occupancy and third party rights

## **21 THIRD PARTY RIGHTS**

- 21.1 Except as expressly provided for in Clause 11 (Changes to the parties) no person or persons other than the Chargor and the Trustees (and their successors as envisaged by Subparagraphs (a)(i) and (a)(ix) of Subclause 1.2) shall be entitled to enforce or otherwise invoke any term of this Agreement under the Contract (Third Party Rights) (Scotland) Act 2017 or otherwise.

**22 RELEASE**

At the end of the Security Period, the Trustees must, at the request and cost of the Chargor, take whatever action is necessary to discharge this Standard Security.

**23 COUNTERPARTS, DELIVERY AND EFFECTIVE DATE**

23.1 This Standard Security may be executed in any number of counterparts and by each of the Parties on separate counterparts.

23.2 Where executed in counterparts:

(a) this Standard Security will not take effect until each of the counterparts has been delivered;

(b) each counterpart will be held as undelivered until the Parties agree a date on which the counterparts are to be treated as delivered; and

(c) the date of delivery may be inserted in the blank provided for the effective date at the start of this Standard Security.

23.3 Where not executed in counterparts, this Standard Security shall take effect after its execution upon the date agreed between the Parties as evidenced by the date inserted at the start of this Standard Security.

**24 CONSENT TO REGISTRATION**

24.1 The Chargor and the Trustees consent to the registration hereof for preservation:

**IN WITNESS WHEREOF** these presents on this and the 16 preceding pages and the Schedule annexed and executed as relative hereto are executed as follows:

Signed by **Highlands and Islands Airports Limited**

at Kirkhill..... on the 8<sup>th</sup> day  
of APRIL..... 2021

Director

at INVERNESS..... on the 10<sup>th</sup> day  
of APRIL..... 2021

Director

INGLIS LYON  
JOHANNA WALLACE

Signed by BESTrustees Limited as trustee aforesaid

acting by one of its Directors, HOW EVANS

Director

at Leatherhead on the 31 day

of March, 2021 before this witness:

Signature

(witness)

Full Name

PAULA ANN EVANS

Address

Occupation

HEAD OF HR EMPLOYEE SUPPORT SERVICE

Signed by the said Derrick Lang as trustee aforesaid

at . . . . . on the . . . . . day

Derrick Lang

of . . . . . 2021 before this witness:

Signature

(witness)

Full Name

Address

Occupation

Signed by the said Don MacLeod as trustee aforesaid

at . . . . . on the . . . . . day

Duncan Smith

of . . . . . 2021 before this witness:

Signature

(witness)

Full Name

Address

Occupation

Signed by **BESTrustees Limited** as trustee aforesaid .....  
acting by one of its Directors *Director*  
at ..... on the ..... day  
of ..... 2021 before this witness:

Signature ..... (witness)  
Full Name .....  
Address .....  
Occupation .....

Signed by the said **Derrick Lang** as trustee aforesaid .....  
at DUNDEE AIRPORT on the 16TH day .....  
of APRIL ..... 2021 before this witness: *Derrick Lang*

Signature ..... (witness)  
Full Name ANDREW LINDSAT  
Address DUNDEE AIRPORT LTD  
RIVERSIDE DRIVE, DUNDEE  
Occupation AIRPORT FIRE MANAGER

Signed by the said **Don MacLeod** as trustee aforesaid .....  
at ..... on the ..... day .....  
of ..... 2021 before this witness: *Duncan Smith*

Signature ..... (witness)  
Full Name .....  
Address .....  
Occupation .....

Signed by **BESTrustees Limited** as trustee aforesaid .....  
acting by one of its Directors *Director*  
at ..... on the ..... day  
of ..... 2021 before this witness:

Signature ..... (witness)  
Full Name .....  
Address .....  
Occupation .....

Signed by the said **Derrick Lang** as trustee aforesaid .....  
at ..... on the ..... day *Derrick Lang*  
of ..... 2021 before this witness:

Signature ..... (witness)  
Full Name .....  
Address .....  
Occupation .....

Signed by the said **Don MacLeod** as trustee aforesaid .....  
at **STORNOWAY** on the **3** day *Don Macleod*  
of **APRIL** 2021 before this witness:

Signature ..... (witness)  
Full Name **W Mutch** **William Mutch**  
Address .....  
Occupation **WATCH MANAGER**



Highlands and Islands Airports Pension Scheme

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Signed by the said Duncan Smith as trustee aforesaid .....

at STORNEWAY on the 6 day

of MAY 2021 before this witness:

  
Duncan Smith

Signature

 (witness)

Full Name

HAMISH LAMB

Address

Occupation

DSATCO

Signed by the said Alan Stewart as trustee aforesaid .....

at ..... on the ..... day

of ..... 2021 before this witness:

Alan Stewart

Signature

..... (witness)

Full Name

Address

Occupation

Signed by the said David Swift as trustee aforesaid .....

at ..... on the ..... day

of ..... 2021 before this witness:

David Swift

Signature

..... (witness)

Full Name

Address

Occupation

Highlands and Islands Airports Pension Scheme

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Signed by the said Duncan Smith as trustee aforesaid .....  
at ..... on the ..... day ..... Duncan Smith  
of ..... 2021 before this witness:

Signature ..... (witness)  
Full Name .....  
Address .....

Occupation .....

Signed by the said Alan Stewart as trustee aforesaid .....  
at 12-05 INVERNESS on the 1ST day ..... Alan Stewart  
of APRIL ..... 2021 before this witness:

Signature ..... (witness)  
Full Name ANDREW MACLEOD  
Address C/O HIAL HQ,  
HEAD OFFICE, INVERNESS AIRPORT, INVERNESS, N2 7SB  
Occupation ICT SYSTEMS TECH

Signed by the said David Swift as trustee aforesaid .....  
at ..... on the ..... day ..... David Swift  
of ..... 2021 before this witness:

Signature ..... (witness)  
Full Name .....  
Address .....  
Occupation .....

Highlands and Islands Airports Pension Scheme

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Signed by the said **Duncan Smith** as trustee aforesaid .....  
at ..... on the ..... day ..... *Duncan Smith*  
of ..... 2021 before this witness:

Signature: ..... (witness)  
Full Name: .....  
Address: .....  
.....  
Occupation: .....

Signed by the said **Alan Stewart** as trustee aforesaid .....  
at ..... on the ..... day ..... *Alan Stewart*  
of ..... 2021 before this witness:

Signature: ..... (witness)  
Full Name: .....  
Address: .....  
.....  
Occupation: .....


Signed by the said **David Swift** as trustee aforesaid .....  
at *WELNESS* ..... on the *30* day ..... *David Swift*  
of *MARCH* ..... 2021 before this witness:

Signature: ..... (witness)  
Full Name: *JURIE SWIFT*  
Address: .....  
Occupation: *RETIRED* .....


Signed by the said Anthony Torreggiani as trustee aforesaid . . .

at TORNAGRAIN . . . on the 29<sup>th</sup> day

of MARCH : . . . 2021 before this witness:

  
Anthony Torreggiani

Signature

 (witness)

Full Name

SUSAN PATRICIA CASAR-TORREGGIANI

Address

Occupation

  
FOSTER CARER

This is the Schedule referred to in the foregoing Standard Security by Highlands and Islands Airports Limited in favour of the Trustees of the Highlands and Islands Airports Pension Scheme relative to New Century House, Inverness

ALL and WHOLE the subjects known as and forming New Century House, Stadium Road, Inverness IV1 1FJ being the subjects registered in the Land Register of Scotland under Title Number INV47951

  
*Highlands and Islands Airports Limited*

  
*Highlands and Islands Airports Limited*

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*BESTrustees Limited*

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*Derrick Lang*

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*Duncan Smith*

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*Alan Stewart*

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*William Sutherland*

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*David Swift*

\*\*\*\*\*  
*Anthony Torreggiani*

*Highlands and Islands Airports Pension Scheme*

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*Highlands and Islands Airports Pension Scheme*

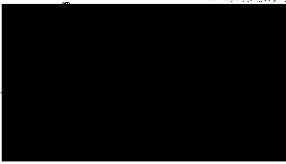
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