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COMPANIES FORM No. 466(Scot)

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

CHFP025

*Please do not
write in this
margin***A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.**COMPANIES HOUSE
FEE PAID
EDINBURGH

Pursuant to section 410 and 466 of the Companies Act 1985

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

For official use

Company number

[1119]

SC118669

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

Name of company

* The Town House Company Limited (the "Chargor")

** insert full name
of Company*

Date of creation of the charge (note 1)

16 May 2011

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

Floating Charge (the "Security Agent's Floating Charge")

Names of the persons entitled to charge

Bank of Scotland plc, Company Number SC327000, having its registered office at The Mound,
Edinburgh EH1 1YZ as security trustee for the Secured Parties.

Short particulars of all the property charged

The whole of the property (including uncalled capital) which is or may be from time to time comprised
in the property and undertaking of the Chargor (the "Assets").Presentor's name address and
reference (if any):
Shepherd and Wedderburn LLP
1 Exchange Crescent
Conference Square
Edinburgh
EH3 8UL
DX 551970 Edinburgh 53

For official use (06/2005)

Charges Section

Post room

THURSDAY



SSP12W7F

SCT

28/07/2011

1019

COMPANIES HOUSE

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

1. Bank of Scotland plc, Company Number SC327000, having its registered office at The Mound, Edinburgh EH1 1YZ as security trustee for the Secured Parties (the "**Security Agent**");
2. Bank of Scotland plc, Company Number SC327000, having its registered office at The Mound, Edinburgh EH1 1YZ (the "**Postponed Creditor**"); and
3. The Town House Company Limited, Company Number SC118669, having its registered office at 35 Drumsheugh Gardens, Edinburgh EH3 7RN.

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write in
this margin*

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

Date(s) of execution of the instrument of alteration

8 and 11 July 2011

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

The Chargor shall not grant any further fixed or floating charges over all or any of its Assets including its heritable, real or leasehold property without the written consent of the Security Agent and the Postponed Creditor.

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

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write in
this margin*

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

- 1.1 The Security Agent, the Postponed Creditor and the Chargor agree that the Security Agent's Securities and the Postponed Creditor's Securities shall rank in the following order of priority:
 - 1.1.1 first, the Security Agent's Standard Security to the extent of the Secured Obligations;
 - 1.1.2 second, the Postponed Creditor's Standard Security to the extent of the Postponed Creditor's Debt;
 - 1.1.3 third, the Security Agent's Floating Charge to the extent of the balance (if any) of the Secured Obligations; and
 - 1.1.4 fourth, the Postponed Creditor's Floating Charges to the extent of the balance (if any) of the Postponed Creditor's Debt.
- 1.2 The ranking and priority set out in paragraph 1.1 above shall take effect notwithstanding any of the following:
 - 1.2.1 the nature of the securities created by the Security Agent's Securities and the Postponed Creditor's Securities and the dates of execution, perfection or registration of them;
 - 1.2.2 any provision contained in any of the Securities;
 - 1.2.3 the date or dates on which sums have been or may be advanced or become due, owing or payable under the Security Agent's Securities and the Postponed Creditor's Securities, respectively;
 - 1.2.4 any fluctuation from time to time in the amounts secured by the Security Agent's Securities or the Postponed Creditor's Securities including any reduction of those amounts to nil;
 - 1.2.5 the existence of any credit balance on any current or other account of the Chargor with the Security Agent;
 - 1.2.6 the appointment of a liquidator, administrative receiver, receiver, administrator or other similar officer in respect of the Chargor or over all or any part of the Assets;
 - 1.2.7 the granting of time or any other indulgence to the Chargor or any other person or the release, compounding or otherwise dealing with the Chargor or any other person;
 - 1.2.8 the taking, variation, compromise, renewal or release of, or refusal or neglect to perfect or enforce any rights or remedies against the Chargor or any other person by either the Security Agent or the Postponed Creditor; or
 - 1.2.9 the provisions of Section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970, Sections 464 and 466 of the Companies Act 1985 or any other rule of law which might operate to the contrary.

Capitalised terms used in this Form M466 and not otherwise defined have the meaning given to them in the attached Paper Apart.

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

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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  For and on behalf of Shepherd and Wedderburn LLP

Date 28/07/11

On behalf of ~~XXXXXX~~ [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.
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 House, 139 Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP - 4 Edinburgh 2

† delete as
appropriate

The Town House Company Limited (the "Chargor")
Company Number SC118669

This is the Paper Apart referred to in the foregoing Form M466 in relation to the Ranking Agreement dated 8 and 11 July 2011 between the Chargor, the Postponed Creditor and the Security Agent.

Definitions

In this Paper Apart and the foregoing Form M466 the following definitions shall apply:

"Accession Letter" means a document substantially in the form set out in Schedule 7 (*Form of Accession Letter*) of the Facility Agreement;

"Additional Guarantor" means a company which becomes an Additional Guarantor in accordance with Clause 27 (*Changes to the Obligors*) of the Facility Agreement;

"Agent" means Bank of Scotland plc as agent of the other Finance Parties;

"Agreement" means the ranking agreement dated 8 and 11 July 2011 between the Security Agent, Bank of Scotland plc and the Borrower;

"Arranger" means Bank of Scotland plc as mandated lead arranger;

"Borrower" means The Town House Company Limited, Company Number SC118669;

"Charged Property" means all of the assets of the Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security;

"Compliance Certificate" means a certificate substantially in the form set out in Schedule 9 (*Form of Compliance Certificate*) of the Facility Agreement;

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent;

"Facility" means Facility A, Facility B or Facility C;

"Facility A" means the term loan facility made available under the Facility Agreement as described in Clause 2.1.1 (*The Facilities*) of the Facility Agreement;

"Facility Agreement" means the facility agreement dated 17 May 2011 between, amongst others, the Borrower and the Security Agent in relation to term loan facilities of up to £27,200,000;

"Facility B" means the term loan facility made available under the Facility Agreement as described in Clause 2.1.2 (*The Facilities*) of the Facility Agreement;

"Facility C" means the term loan facility made available under the Facility Agreement as described in Clause 2.1.3 (*The Facilities*) of the Facility Agreement;

"Fee Letter" means any letter or letters dated on or about the date of the Facility Agreement between the Arranger and the Borrower (or the Agent and the Borrower) setting out any of the fees referred to in Clause 13 (*Fees*) of the Facility Agreement;

"Finance Document" means the Facility Agreement, the Mandate Letter, any Fee Letter, any Accession Letter, any Resignation Letter, any Compliance Certificate, any Selection Notice, any Hedging Agreement, the Working Capital Facility Letter, the First Data Counter Indemnity, the Subordination Agreement, the Ranking Agreements, any Security Document, any Utilisation Request and any other document designated as a "Finance Document" by the Agent and the Borrower;

"Finance Party" means the Agent, the Arranger, the Security Agent, a Lender, a Hedge Counterparty, the Working Capital Bank or the First Data Indemnity Bank;

"First Data Bank Indemnity" means the indemnity dated on or around the date of the Facility Agreement granted by the First Data Indemnity Bank in favour of FDR Limited (trading as First Data) in respect of services to be provided by FDR Limited to the Obligors (or any of them);

"First Data Counter Indemnity" means the counter indemnity dated on or around the date of the Facility Agreement granted by the Borrower in favour of the First Data Indemnity Bank (in respect of the First Data Bank Indemnity);

"First Data Indemnity Bank" means Bank of Scotland plc as provider of the First Data Bank Indemnity;

"Group" means the Borrower and its Subsidiaries for the time being;

"Guarantor" means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 27 (*Changes to the Obligors*) of the Facility Agreement;

"Hedge Counterparty" means:

- (a) the Original Hedge Counterparty; and
- (b) any person which has become a Party as a Hedge Counterparty in accordance with Clause 26.10 (*Accession of Hedge Counterparties*) of the Facility Agreement;

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Borrower and a Hedge Counterparty for the purpose of hedging liabilities and/or risks in relation to the Facility;

"Lender" means:

- (a) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 26 (*Changes to the Lenders*) of the Facility Agreement, which in each case has not ceased to be a Party in accordance with the terms of the Facility Agreement;

"Mandate Letter" means the letter dated on or around the date of the Facility Agreement between the Arranger and the Borrower;

"Obligor" means the Borrower or a Guarantor;

"Original Guarantor" means the Borrower and Blythswood Square Limited, Company Number SC294938;

"Original Hedge Counterparty" means Bank of Scotland plc;

"Original Lender" means Bank of Scotland plc;

"Party" means a Party to the Facility Agreement;

"Postponed Creditor's Debt" means all or any money 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 the Postponed Creditor by the Chargor, whether actually or contingently, solely or jointly and whether as principal, guarantor, cautioner or surety including any money and liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in the Postponed Creditor, and including any liability for any further advances or credit made or to be made (at the time of the Agreement or in the future) by the Postponed Creditor and any interest, discount, commission and

other lawful charges or expenses which the Postponed Creditor may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual Postponed Creditor rates and practice as well after as before any demand made or decree obtained;

"Postponed Creditor's Floating Charges" means (a) the floating charge granted by the Chargor in favour of the Postponed Creditor dated 30 October 1989 and registered with the Registrar of Companies on 17 November 1989 in security for the Postponed Creditor's Debt; (b) the floating charge granted by the Chargor in favour of the Postponed Creditor dated 30 October 1989 and registered with the Registrar of Companies on 20 November 1989 in security for the Postponed Creditor's Debt; and (c) the floating charge granted by the Chargor in favour of the Postponed Creditor dated 17 June 2009 and registered with the Registrar of Companies on 23 June 2009 in security for the Postponed Creditor's Debt;

"Postponed Creditor's Securities" means the Postponed Creditor's Standard Security and the Postponed Creditor's Floating Charges;

"Postponed Creditor's Standard Security" means the standard security granted by the Chargor in favour of the Postponed Creditor over the Property dated 18 July 1997, recorded in the Division of the General Register of Sasines for the County of Midlothian on 12 August 1997 and registered with the Registrar of Companies on 19 August 1997;

"Property" means ALL and WHOLE the subjects 33(3), 34, 35 and 36 Drumsheugh Gardens, Edinburgh being the subjects more particularly described in the titles relating thereto as ALL and WHOLE the *dominium plenum* of the subjects and others in the City of Edinburgh and County of Midlothian (formerly Edinburgh) comprising (First) ALL and WHOLE that dwellinghouse known as and forming number 33(3) Drumsheugh Gardens, Edinburgh, being the top flat or third flat above the street flat entering by the common entrance hall and stair number 33 Drumsheugh Gardens in the City of Edinburgh and County of Midlothian (formerly Edinburgh), described in Disposition by George Rennie in favour of Mary Fielding Clark and Mrs Jenny Weir Clark or Leggott dated 9 May 1927 and recorded in the Division of the General Register of Sasines applicable to the County of Edinburgh (now Midlothian) on 11 May 1927, which subjects are part and portion of the original self-contained dwellinghouse built on part of ALL and WHOLE that lot of building ground in Drumsheugh Gardens with the relative back ground described in Feu Charter by the Walker Trustees with consents thereinmentioned in favour of Thomas Hector Smith dated 11 May 1882 and recorded in the said Division of the General Register of Sasines on 15 May 1882; (Second) ALL and WHOLE the subjects known as and forming number 34 Drumsheugh Gardens in the said City and County described in Disposition by Mrs Agnes Harriet Sophia Hughes Bennett or Cox in favour of George Aitken Clark Hutchison dated 30 May 1903 and recorded in the said Division of the General Register of Sasines on 4 June 1903; (Third) ALL and WHOLE the subjects known as and forming number 35 Drumsheugh Gardens in the said City and County described in Disposition by the Trustees of Holmes Ivory in favour of Henry Wade and David Percival Dalbreck Wilkie as Partners and Trustees for the Private Clinic as thereinmentioned dated 10, 11, and 12 May 1921 and recorded in the said Division of the General Register of Sasines on 16 May 1921; (Fourth) ALL and WHOLE the subjects known as and forming number 36 Drumsheugh Gardens in the City and County, aforesaid described in Disposition by the Trustees of Thomas Bouch in favour of Mrs Helen Scott Watt or Flaming dated 22 and 28 February 1882 and recorded in the said Division of the General Register of Sasines for publication and also as in the Books of Council and Session for preservation on 16 March 1882; And the subjects (First), (Second) and (Fourth) hereinbefore described are together also with the whole right, title and interest which the Chargor, along with the other proprietors thereof have in the superiority of Old Dean Free Church subjects in the said City and County under and in virtue of and as is described in the Disposition by the Trustees of Robert Cox in favour of the said Thomas Hector Smith and others as Trustees thereinmentioned dated 9 May 1911 and subsequent dates and recorded in the said Division of the General Register of Sasines on 22 May 1911 by which Disposition a Trust has been created for the protection of the amenity of *inter alia* the subjects hereinbefore described known as and forming 33(3), 34 and 36 Drumsheugh Gardens, aforesaid;

"Ranking Agreements" means:

- (a) the ranking agreement dated on or around the date of the Facility Agreement between the Security Agent, Bank of Scotland plc and the Borrower; and
- (b) the ranking agreement dated on or around the date of the Facility Agreement between the Security Agent, Bank of Scotland plc and Blythswood Square Limited;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property;

"Resignation Letter" means a letter substantially in the form set out in Schedule 8 (*Form of Resignation Letter*) of the Facility Agreement;

"Secured Obligations" means all present and future liabilities and obligations at any time due, owing or incurred by any member of the Group to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and whether as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any member of the Group of a payment, prepayment, repayment, redemption, defeasance or discharge of the Secured Obligations on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings;

"Secured Party" means each Finance Party from time to time party to the Facility Agreement and any Receiver or Delegate;

"Securities" means the Security Agent's Securities and the Postponed Creditor's Securities;

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

"Security Agent's Floating Charge" means the floating charge granted by the Chargor in favour of the Security Agent dated 16 May 2011 and registered with the Registrar of Companies on 27 May 2011 in security for the Secured Obligations;

"Security Agent's Securities" means the Security Agent's Floating Charge and the Security Agent's Standard Security;

"Security Agent's Standard Security" means the standard security granted by the Chargor in favour of the Security Agent over the Property dated 16 May 2011, recorded in the Division of the General Register of Sasines for the County of Midlothian on 24 May 2011 and registered with the Registrar of Companies on 31 May 2011 in security for the Secured Obligations;

"Security Document" means each of the documents listed as being a Security Document in paragraph 3(a) of Schedule 2 (*Conditions Precedent*) and any document required to be delivered to the Agent under Clause 23.23 (*Further Assurance*) of the Facility Agreement together with any other document entered into by an Obligor creating or expressed to create any Security over all or any part of its assets in respect of its obligations under any of the Finance Documents;

"Selection Notice" means a notice substantially in the form set out in Part II of Schedule 3 (*Requests*) of the Facility Agreement given in accordance with Clause 11 (*Interest Periods*) of the Facility Agreement;

"Subordinated Creditor" means Peter James Taylor;

"Subordination Agreement" means the subordination agreement dated on or around the date of the Facility Agreement between the Borrower, the Subordinated Creditor, the Agent and the Security Agent;

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006;

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent pursuant to the Security Documents;

"Utilisation Request" means a notice substantially in the form set out in Part I of Schedule 3 (*Requests*) of the Facility Agreement;

"Working Capital Bank" means Bank of Scotland plc as working capital bank pursuant to the Working Capital Facility Letter; and

"Working Capital Facility Letter" means the facility letter dated on or around the date of the Facility Agreement between the Working Capital Bank and the Borrower.



FILE COPY

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

COMPANY NO. 118669

CHARGE NO. 9

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 11 JULY 2011

WERE DELIVERED PURSUANT TO SECTION 878 OF THE
COMPANIES ACT 2006
ON 28 JULY 2011

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 16
MAY 2011

BY THE TOWN HOUSE COMPANY LIMITED

IN FAVOUR OF
BANK OF SCOTLAND PLC

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 29 JULY 2011



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES