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CHWP000

COMPANIES FORM No. 466(Scot)

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

466

Please do not
write in
this margin

Pursuant to section 410 and 466 of the Companies Act 1985

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

* insert full name
of company

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

For official use

Company number



SC494551

Name of company

* Lothian Broadband Networks Limited

Date of creation of the charge (note 1)

28 March 2023

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

Bond and Floating Charge

Names of the persons entitled to the charge

Scottish Investments Limited

Short particulars of all the property charged

The whole of the property, assets and undertaking (including uncalled capital) from time to time of the Chargor.

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

Dentons UK and Middle East LLP
1 George Square
Glasgow
G2 1AL

For official use (02/06)

Charges Section

Post room

WEDNESDAY



SC050H0Q

SCT

05/04/2023

#18

COMPANIES HOUSE

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

The instrument of alteration was executed by James McFarlane residing at Shandon Lodge, Balfron Station, Glasgow, G63 0NF; by Kevin Hague residing at Lynwood, Edinburgh Road, Gifford, Haddington, East Lothian, EH41 4JE; Atheian Limited (Company Number 12503289), having its Registered Office C/O Turcan Connell, 12 Stanhope Gate, London, W1K 1AW; by Scottish Investments Limited (Company Number SC681617) having its Registered office at Waverly Gate, 2-4 Waterloo Place, Edinburgh, United Kingdom, EH1 3EG; and Lothian Broadband Networks Limited (Company Number SC494551) having its Registered Office at Suite 2, Ground Floor Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS.

*Please do not
write in
this margin*

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

Date(s) of execution of the instrument of alteration

The instrument of alteration was executed by James McFarlane on 23 March 2023; by Kevin Hague and Atheian Limited on 24 March 2023; and by Scottish Investments Limited and Lothian Broadband Networks Limited on 27 March 2023, with a date of delivery of 28 March 2023

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

N/A

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

*Please do not
write in
this margin*

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

3.1 The Ranked Security Interests rank in the following order:

- (a) first, the Senior Security as security for the Senior Liabilities; and
- (b) second, the Junior Security as security for the Junior Liabilities.

"Company" means Lothian Broadband Networks Limited incorporated and registered in Scotland with company number SC494551 whose registered office is at Suite 2, Ground Floor Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS.

"Junior Floating Charge" means the Security granted by the Company over certain assets, including the Security Assets, to each Junior Security Holder under bond and floating charges each dated 23 December 2021.

"Junior Liabilities" means all liabilities secured by the Junior Floating Charges.

"Junior Security" means any Security over the Security Assets in favour of the Junior Security Holders.

"Junior Security Holder" means Scottish Investments Limited together with Kevin Hague, James McFarlane and Atheian Limited.

"Ranked Security Interests" means:

- (a) Senior Security; and
- (b) Junior Security.

"Security" means a mortgage, charge, standard security, pledge, lien, assignation or assignment by way of security, retention of title provision, trust, hypothecation, right of set-off or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

"Security Assets" means the whole of the property, assets and undertaking (including uncalled capital) from time to time of the Company.

"Senior Floating Charge" means the Security granted by the Company over certain assets, including the Security Assets to the Senior Security Holder under a bond and floating charge dated on the 28 March 2023.

"Senior Liabilities" means all liabilities secured by the Senior Floating Charge.

"Senior Security" means any Security over the Security Assets in favour of the Senior Security Holder.

"Senior Security Holder" means Scottish Investments Limited incorporated in Scotland with registered number SC681617 and whose registered office is at Waverly Gate, 2-4 Waterloo Place, Edinburgh, United Kingdom, EH1 3EG.

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

Signed Bentons UK and Middle East Ltd Date 9 April 2023

On behalf of [company] [chargee]

Notes

1. A description of the instrument e.g. "Instrument of Charge" "Debenture" etc as the case may be, should be given. ☐ delete as appropriate
For the date of creation of a charge see section 410(5) of the Companies Act.
2. In accordance with section 166(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.
3. A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.
4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.
5. The address of the Registrar of Companies is: Companies Registration Office, 139 Fountainbridge, Edinburgh EH3 9HF
DX 235 Edinburgh



FILE COPY

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

COMPANY NO. 494551
CHARGE CODE SC49 4551 0006

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 28 MARCH 2023 WERE DELIVERED
PURSUANT TO SECTION 466 OF THE COMPANIES ACT 1985
ON 5 APRIL 2023

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 28
MARCH 2023

BY LOTHIAN BROADBAND NETWORKS LIMITED

IN FAVOUR OF
SCOTTISH INVESTMENTS LIMITED

GIVEN AT COMPANIES HOUSE, EDINBURGH 6 APRIL 2023



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

I certify that save for material redacted pursuant to section 859G of the Companies Act 2006 this is a complete copy of the original document

大成 DENTONS

Dentons UK and Middle East LLP
For and on behalf of
Dentons UK and Middle East LLP
4 April 2023

Ranking Agreement

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Ranking Agreement delivered on

Dated 28 March 2023

Lothian Broadband Networks Limited
(the Company)

Scottish Investments Limited
(as Senior Security Holder)

Scottish Investments Limited
Kevin Hague, James McFarlane and Atheian Limited
(together the Junior Security Holders and each a Junior Security Holder)

Dentons UK and Middle East LLP
Quatermile One
15 Lauriston Place
Edinburgh
EH3 9EP

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For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Ranking Agreement is delivered on 28 March 2023

Ranking Agreement

Between

- (1) **LOTHIAN BROADBAND NETWORKS LIMITED** incorporated and registered in Scotland with company number SC494551 whose registered office is at Suite 2, Ground Floor Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS (the **Company**);
- (2) **SCOTTISH INVESTMENTS LIMITED** incorporated in Scotland with registered number SC681617 and whose registered office is at Waverley Gate, 2-4 Waterloo Place, Edinburgh, United Kingdom, United Kingdom, EH1 3EG (the **Senior Security Holder**); and
- (3) **KEVIN HAGUE** residing at [REDACTED] (Kevin Hague);
- (4) **JAMES MCFARLANE** residing at [REDACTED] (James McFarlane);
- (5) **ATHEIAN LIMITED** incorporated and registered in England with company number 12503289 whose registered office is at 12 Stanhope Gate, London, W1K 1AW (Atheian); and
- (6) **SCOTTISH INVESTMENTS LIMITED** incorporated in Scotland with registered number SC681617 and whose registered office is at Waverley Gate, 2-4 Waterloo Place, Edinburgh, United Kingdom, United Kingdom, EH1 3EG (SIL and together with Kevin Hague, James McFarlane and Atheian, being the **Junior Security Holders**).

(the Senior Security Holder, together with the Junior Security Holders being the **Security Holders**).

Recitals

- A The Company has entered into the SLN (as defined below) on or around the date of this Agreement.
- B The Company has granted Security over certain assets, including the Security Assets, to each Junior Security Holder under bond and floating charges each dated 23 December 2021 (the **Junior Floating Charges** and each a **Junior Floating Charge**).
- C The Company has granted Security over certain assets, including the Security Assets, to the Senior Security Holder under a bond and floating charge dated on or around the date of this Agreement (the **Senior Floating Charge**).
- D The Company and the Security Holders have agreed to enter into this Agreement to regulate the respective priorities of the Senior Security and the Junior Security.

It is agreed:

1 Interpretation

1.1 Definitions

In this Agreement, including the Recitals (unless the context otherwise requires):

2021 Ranking Agreement means the ranking agreement between the Company and the Junior Security Holders dated 23 December 2021.

Business Day means a day on which banks are ordinarily open for the transaction of normal banking business in Edinburgh (other than a Saturday or Sunday or public holiday).

Company Insolvency means the Company being in administration, liquidation or another insolvency procedure in any jurisdiction.

Floating Charges means the Junior Floating Charges and the Senior Floating Charge.

Insolvency Practitioner means any liquidation, receiver, receiver and manager, administrator, administrative receiver, nominee or supervisor of the Company.

Liabilities means all liabilities secured by each Floating Charge to each Security Holder.

Junior Liabilities means all liabilities secured by the Junior Floating Charges.

Junior Security means any Security over the Security Assets in favour of the Junior Security Holders.

Preferential Payments means payments to which a preference attaches in terms of the Insolvency Act 1986 or any other applicable legislation.

Ranked Security Interests means:

- (a) Senior Security; and
- (b) Junior Security.

Security means a mortgage, charge, standard security, pledge, lien, assignation or assignment by way of security, retention of title provision, trust, hypothecation, right of set-off or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Assets means the whole of the property, assets and undertaking (including uncalled capital) from time to time of the Company.

Senior Discharge Date means the date on which the Senior Liabilities have been fully and unconditionally discharged to the satisfaction of the Senior Security Holder.

Senior Liabilities means all liabilities secured by the Senior Floating Charge.

Senior Security means any Security over the Security Assets in favour of the Senior Security Holder.

SLN means the secured loan note instrument to be entered into on or around the date of this Agreement by the Company pursuant to which the Company will constitute secured loan notes 2023 plus any capitalised sums which are added to the principal in accordance with such instrument.

1.2 Construction

In this Agreement, save where the contrary is indicated:

- (a) the headings of Clauses are inserted for ease of reference only;
- (b) any reference:
 - (i) to any document or other agreement, shall be deemed to include references to such document as amended, supplemented or replaced from time to time in accordance with the provisions of this Agreement;
 - (ii) to **liabilities** includes any obligation whether incurred as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
 - (iii) to the Company and the Security Holders shall be deemed to include their respective successors, transferees and assigns in accordance with their respective interest;
 - (iv) the words **include(s)** or **including** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words.

1.3 Third party rights

This Agreement does not create any rights in favour of third parties under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or otherwise invoke any provision of this Agreement or otherwise.

2 Status of Company

- 2.1 The Company enters into this Agreement for the purpose of acknowledging the arrangements between the Security Holders and giving certain undertakings to the Security Holders.
- 2.2 None of the Security Holders' respective undertakings in this Agreement are given for the benefit of, or shall be enforceable by, the Company.
- 2.3 The Company shall not take any action to challenge, or take any action which might prejudice or affect, the terms agreed between the Security Holders in this Agreement.

3 Priority

3.1 Ranking

The Ranked Security Interests rank in the following order:

- (a) first, the Senior Security as security for the Senior Liabilities; and
- (b) second, the Junior Security as security for the Junior Liabilities.

3.2 If the Senior Security Holder agrees to release any of the Company's assets from the security conferred by the Senior Floating Charge, each Junior Security Holder will promptly execute such release and each other necessary document to permit those assets to be held by the Company or any acquirer of it free from the security conferred by the Junior Floating Charges.

3.3 No Junior Security Holder shall in any circumstances be subrogated to any of the rights of the Senior Security Holder (whether by way of security, guarantee or otherwise) under the Senior Floating Charge.

3.4 For the avoidance of doubt this Agreement does not rank the interests of the Junior Security Holders as between each other nor rank the Junior Security in respect of the Junior Liabilities, such matters are regulated by the 2021 Ranking Agreement.

3.5 Co-operation

The parties shall co-operate to reflect the ranking specified in Clause 3.1 including:

- (a) by taking any action necessary to ensure that ranking is reflected in any register or with any registration authority; and
- (b) by giving any notice, instruction or direction to any person.

3.6 Ranking to prevail

The ranking specified in Clause 3.1 and the other terms of this Agreement will not be affected by any act, omission, matter or thing that might otherwise affect them, including:

- (a) the timing of the creation of the Ranked Security Interests;
- (b) the order of registration, notice or other perfection step in relation to the Ranked Security Interests;
- (c) the nature of any of the Ranked Security Interests;
- (d) the date on which any Liability arises;
- (e) any intermediate reduction in or satisfaction of the Liabilities;
- (f) a Company Insolvency;
- (g) any amendment or supplement to or variation of any Floating Charge; or
- (h) any increase in, or change to the terms of, the Liabilities.

4 Preferential Payments

The ranking provisions set out in Clause 3.1 shall not prejudice the rights of the Senior Security Holder to receive Preferential Payments provided that any Preferential Payments shall not be counted toward the payment of any sums due and to become due to the Senior

Security Holder for the purposes of calculating the extent of any priority to which the Senior Security Holder is entitled under Clause 3.1.

5 Junior Liabilities

- 5.1 At any time prior to the Senior Discharge Date, a Junior Security Holder may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from (or over the assets of) the Company in respect of the Junior Liabilities other than the Junior Floating Charges as at the date of this Agreement unless the prior consent of the Senior Security Holder is obtained.
- 5.2 At any time prior to the Senior Discharge Date, a Junior Security Holder may not agree any amendment or increase to the Junior Liabilities other than any amendment that does not directly or indirectly affect the ranking as set out under this Agreement.

6 Senior Liabilities

The Junior Holders agree that the Senior Holder may increase, amend, waive or supplement the terms of the Senior Liabilities in accordance with their terms at any time.

7 Amendments

7.1 Amendments in writing

Subject to Clause 7.2, no amendment to this Agreement shall be effective without the prior consent of each Security Holder who has Liabilities outstanding at the date of such amendment. Such amendment shall be in writing and signed by, or on behalf of, each party to this Agreement.

7.2 Amendments agreed between Security Holders only

This Agreement may be amended without the consent of the Company and need not be signed by, or on behalf of, the Company, if the amendment does not relate to the obligations of the Company under this Agreement.

8 Waivers and consents

8.1 Must be in writing

Any consent or waiver given by a party under or in connection with this Agreement will only be effective if it is in writing. Waiver of one breach does not waive or imply waiver of any further or other breach.

8.2 Limited exercise is not a waiver

No failure to exercise, no delay in exercising and no single or partial exercise of a party's right or remedy in relation to this Agreement shall:

- (a) adversely affect that right or remedy;
- (b) waive it; or
- (c) prevent any further exercise of it or of any other right or remedy,

except to the extent the parties have expressly agreed otherwise in writing.

9 Miscellaneous

9.1 Security Holder consents

Each Security Holder consents to the entry by the Company into the Floating Charges.

9.2 No prejudice

The arrangements effected by this Agreement shall be in addition to and shall not prejudice or affect any security or any right or remedy of any Security Holder in respect of the liabilities owed to it whether from the Company or any guarantor or surety.

9.3 Information

The Company consents to the disclosure by a Security Holder to another Security Holder of any information about the Company.

9.4 Ranking not affected by further security

Any present or future Security granted by the Company (other than the Floating Charges) to any of the parties to this Agreement shall not (unless otherwise agreed in writing by the parties) prejudice the ranking provisions set out in Clause 3.1 notwithstanding any provision contained in the Floating Charges and any further Security or any rule of law to the contrary.

10 Costs

10.1 The Company shall reimburse all costs and expenses, including legal fees and value added tax, reasonably and properly incurred by the Security Holders in connection with the preparation and negotiation of this Agreement.

10.2 The Company shall reimburse all costs and expenses, including legal fees and value added tax, incurred by the Security Holders in connection with the enforcement and preservation of rights under, this Agreement.

11 Notices

11.1 Any communication and/or information to be given in connection with this Agreement shall be in writing in English and shall either be delivered by hand or sent by first class post, email or other electronic form:

- (a) to any company which is a party at the address of that company shown in Clause 11.3;
- (b) to any individual who is a party at the address of that individual shown in Clause 11.3; or
- (c) where the recipient is SIL, a notice must be given or served under both (i) and (ii) below (and the deemed date of receipt of both shall be as stated in Clause 11.2(c)):
 - (i) in hard copy, either delivered by hand or sent by first class post to its registered office for the attention of 'Head of Investment Legal'; and

(ii) by email to [REDACTED]

(or in each such case such other address as the recipient may notify to the other parties for such purpose).

11.2 A communication sent according to Clause 11.1 shall be deemed to have been received:

- (a) if delivered by hand, at the time of delivery;
- (b) if sent by pre-paid first class post, on the second day after posting; or
- (c) if sent by email or other electronic form, at the time of completion of transmission by the sender;

except that if a communication is received between 5.30 pm on a Business Day and 9.30 am on the next Business Day, it shall be deemed to have been received at 9.30am on the second of such Business Days.

11.3 Addresses

11.3.1 The addresses referred to in Clause 11.1 are:

- (a) The Company:

Lothian Broadband Networks Limited

Suite 2, Ground Floor Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS

Attention: Jennifer Nicoll,

Email: [REDACTED]

- (b) The Senior Security Holder:

Scottish Investments Limited

Waverley Gate, 2-4 Waterloo Place, Edinburgh EH1 3EG

Attention: Head of Investment Legal

Email: [REDACTED]

- (c) The Junior Security Holders:

- (i) Kevin Hague

[REDACTED]
Attention: Kevin Hague

Email: [REDACTED]

- (ii) James McFarlane

Attention: James McFarlane

Email:

(iii) Atheian Limited

12 Stanhope Gate, London, W1K 1AW

Email:

(iv) Scottish Investments Limited

Waverley Gate, 2-4 Waterloo Place, Edinburgh EH1 3EG

Attention: Head of Investment Legal

Email:

12 Assignment and Transfer

No Security Holder may assign or otherwise dispose of its rights:

- (a) under this Agreement or any Floating Charge; or
- (b) to the Ranked Security Interests,

without first procuring that its successor in title or assignee has delivered to the other Security Holder a duly executed and delivered agreement binding it to the terms of this Agreement.

13 Expiry

This Agreement will remain in force until the Senior Discharge Date.

14 Instrument of Alteration

14.1 This Agreement shall take effect as a variation within the meaning of Section 16 of the Conveyancing and Feudal Reform (Scotland) Act 1970 and as an Instrument of Alteration within the meaning of Section 466 of the Companies Act 1985 so far as applicable to the Floating Charges or any of them and so far as is necessary to give effect to the provisions contained in this Agreement.

14.2 Each Security Holder (who is an entity registered at Companies House) confirms and undertakes to each other Security Holder that it will within 21 days of the date of this Agreement register the required details of this Agreement at Companies House in order for this Agreement to constitute a valid instrument of alteration in respect of any Floating Charge granted in favour of any Security Holder.

15 Counterparts

15.1 This Agreement may be executed in any number of counterparts and by each of the parties on separate counterparts.

15.2 Where executed in counterparts:

- 15.2.1** unless otherwise agreed between the parties, this Agreement shall not take effect until each of the counterparts has been delivered in accordance with the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the Counterparts Act);
- 15.2.2** each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered;
- 15.2.3** the counterparts shall be treated as a single document pursuant to the Counterparts Act;
- 15.2.4** the parties may choose to evidence the date of delivery of this Agreement by inserting it on the cover page and at the top of page 1 in the blank provided for the delivery date of this Agreement;

the parties agree that where a person is nominated under section 2(1) of the Counterparts Act to take delivery of one or more of the counterparts, the obligations and/or duties of that person under section 2(3) of the Counterparts Act shall be excluded and such person shall hold such counterparts in accordance with any other arrangements agreed between the parties. The parties agree that this clause is for the benefit of any such nominated person and can be relied upon by such person notwithstanding that such person may not be a party to this Agreement.

16 Governing law and enforcement

16.1 Governing law

The laws of Scotland govern this Agreement, its interpretation and any non-contractual obligations arising from or connected with it.

16.2 Jurisdiction

16.2.1 The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) (a Dispute).

16.2.2 The parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

IN WITNESS WHEREOF this Agreement consisting of this and the preceding 9 pages has been executed as follows and, if executed in counterpart delivered on the date set out on the cover page and at the top of page 1 of this Agreement in accordance with Clause 15:

Company

Executed for and on behalf of

LOTHIAN BROADBAND NETWORKS LIMITED

at Edinburgh

on 27 day of March

by




Director (Signature)

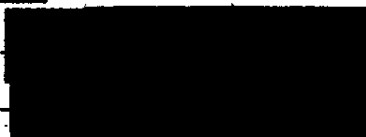
GAVIN ROSECOMBS

Director (Print Full Name)

in the presence of this witness:



Ames Louise Scott



Witness

Full name

Address

Senior Security Holder

Executed for and on behalf of

SCOTTISH INVESTMENTS LIMITED

at

on

27 day of MARCH 2023

by

Authorised Signatory (Signature)

NICOLA DOUGLAS
Authorised Signatory (Print Full Name)

in the presence of this witness:

CEVIN DOUGLAS

Witness

Full name

Address


大成 DENTONS

Executed by
JAMES MCFARLANE

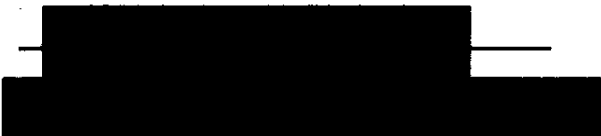
at EDINBURGH
on 23rd day of MARCH 2023


(Signature) JAMES MCFARLANE
(Print Full Name)

in the presence of this witness:




MORAG DALLER

Witness
Full name
Address



Executed for and on behalf of
ATHEIAN LIMITED

at EDINBURGH
on 24th day of MARCH 2023
by

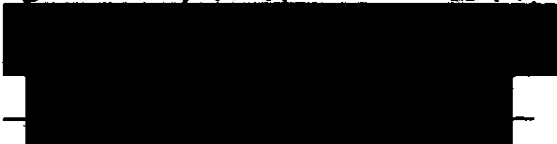


Director (Signature) PATRICK EDWARDS
Director (Print Full Name)

in the presence of this witness:



LAURA MARY CROCKER

Witness
Full name
Address


Executed for and on behalf of
SCOTTISH INVESTMENTS LIMITED

at

on 27 day of MARCH 2023

by

[Redacted Signature]

Authorised Signatory (Signature)

NICOLA DOUGLAS
Authorised Signatory (Print Full Name)

in the presence of this witness:

[Redacted Witness Signature]

Witness

COLIN DOUGLAS

Full name

[Redacted Witness Address Line 1]

Address

[Redacted Witness Address Line 2]