



Registration of a Charge

Company name: **BS 177 NUMBER 3 LIMITED**

Company number: **SC614874**



X7XNAK8J

Received for Electronic Filing: **21/01/2019**

Details of Charge

Date of creation: **15/01/2019**

Charge code: **SC61 4874 0004**

Persons entitled: **BANK OF SCOTLAND PLC IN ITS CAPACITY AS SECURITY TRUSTEE
FOR THE SECURED PARTIES, AS DEFINED IN THE INSTRUMENT
EVIDENCING THE CHARGE ACCOMPANYING THIS FORM MR01**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

STUART FITZSIMMONS



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 614874

Charge code: SC61 4874 0004

The Registrar of Companies for Scotland hereby certifies that a charge dated 15th January 2019 and created by BS 177 NUMBER 3 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st January 2019 .

Given at Companies House, Edinburgh on 22nd January 2019

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

NXZH/SUMK/104563.05306/62827920.02

Share Pledge

This Share Pledge is subject to the terms of the Intercreditor Agreement (as defined herein)

Re. HFD Glasgow 2 Limited Shares

Delivered 15 JANUARY 2019

between

BS 177 Number 3 Limited

and

Bank of Scotland PLC
as Security Agent

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Share Pledge

Delivered on 15 JANUARY 2019

Between

- (1) **BS 177 Number 3 Limited** (registered number SC614874) having its registered office at Phoenix House, Phoenix Crescent, Strathclyde Business Park, Bellshill ML4 3NJ (the **Chargor**)

and
- (2) **BANK OF SCOTLAND PLC** (registered number SC327000) whose registered office is at The Mound, Edinburgh, EH1 1YZ, as security trustee for the Secured Parties (the **Security Agent**)

Whereas:

- A The Chargor enters into this Share Pledge in connection with the Senior Facility Agreement and the Intercreditor Agreement (each as defined below).
- B It is a condition precedent to the Senior Facility Agreement being made available that the Chargor enters into this Share Pledge.

Now this Share Pledge witnesses as follows:

1 Definitions and Interpretation

1.1 Incorporation of Definitions

Terms defined in the Intercreditor Agreement, unless otherwise defined in this Share Pledge or unless a contrary intention appears, bear the same meaning when used in this Share Pledge.

1.2 Additional Definitions

In this Share Pledge, unless the context otherwise requires:

Acquisition Date means the date of the Chargor's acquisition of legal ownership of the Existing Shares, being the date on which the Chargor is entered in the Company's register of members as the holder of each of the Existing Shares.

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

Charged Assets means the Shares and the Related Rights.

Company means the Company particulars of which are set out in the Schedule.

Debt Documents has the meaning given to that term in the Intercreditor Agreement.

Encumbrance means any standard security, mortgage, charge, assignation, pledge, lien or other security right whatsoever.

Enforcement Event means an Event of Default (as defined in the Intercreditor Agreement)

Existing Shares means the shares in the capital of the Company particulars of which are set out in the Schedule.

Further Shares means any shares (or other securities derived from any shares) in the capital of the Company (other than the Existing Shares) in which the Chargor has any interest from time to time.

Insolvency Act means the Insolvency Act 1986.

Intercreditor Agreement means the intercreditor agreement dated on or around the date of this Share Pledge and made between, among others, the Chargor and the Security Agent.

Obligor means a Transaction Obligor (as defined in the Senior Facility Agreement).

Related Rights means all rights derived from the Shares including rights to dividends and other distributions paid or payable after the date of this Share Pledge on all or any of the Shares and all rights to stocks, shares or other securities (and dividends, interest and other distributions thereon) or other rights accruing or offered at any time by way of redemption, bonus, pre-emption or otherwise to or in respect of all or any of the Shares or in substitution or exchange for all or any of the Shares.

Secured Liabilities has the meaning given to it in the Intercreditor Agreement.

Secured Parties shall have the meaning given to it in the Intercreditor Agreement.

Senior Facility Agreement means the £88,900,000 Facility Agreement dated on or around the date of this Share Pledge between (among others) the Chargor, the Security Agent and Bank of Scotland plc as Lender.

Share Pledge means this share pledge.

Shares means the Existing Shares and the Further Shares.

1.3 Security trust provisions

The Security Agent holds the benefit of this Pledge on trust for the Secured Parties in accordance with Clause 16 of the Intercreditor Agreement (*The Security Agent*).

1.4 Construction

1.4.1 Unless a contrary indication appears, any reference in this Share Pledge to:

- (a) any "**Chargor**", "**Security Agent**", "**Obligor**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) a "**Debt Document**" or any other agreement or instrument is a reference to that Debt Document or other agreement or instrument as from time to time amended, novated, supplemented, replaced, extended or restated in whole or in part;
- (c) a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;

- (d) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (e) a provision of law is a reference to that provision as from time to time amended or re-enacted;
- (f) "**disposal**" includes a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary (and "**dispose**" shall be construed accordingly);
- (g) "**document**" includes any deed, instrument (including negotiable instrument) or other document of any kind;
- (h) any matter "**Including**" specific instances or examples of such matter shall be construed without limitation to the generality of that matter (and references to "**include**" shall be construed accordingly);
- (i) the "**winding-up**", "**dissolution**" or "**administration**" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or established, or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors; and
- (j) Clauses and Schedules are to the clauses and schedules to this Share Pledge.

1.4.2 Clause headings are for ease of reference only.

1.4.3 Words in the singular shall import the plural and *vice versa*.

1.4.4 Words defined in the Companies Act 2006 have the same meanings in this Share Pledge.

1.4.5 The provisions of the Schedule shall be deemed to be incorporated in this Share Pledge as if set out in full herein.

1.4.6 This Share Pledge is subject to the terms of the Intercreditor Agreement.

1.4.7 In the case of any conflict between the provisions of this Share Pledge and the provisions of the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail.

2 Covenant to Pay

2.1 Covenant to pay

The Chargor, as principal debtor and not just as surety, covenants with the Security Agent to pay, discharge and satisfy the Secured Liabilities when the same become due in terms of the Debt Documents whether by acceleration or otherwise.

2.2 Interest

The Chargor shall pay interest on any amount demanded from it in accordance with this Share Pledge from the date of such demand until such amount is irrevocably discharged and paid in full (such interest to accrue on a daily basis after as well as before judgment or the

liquidation or administration of the Chargor and to be payable on demand) pursuant to clause 8.5 (*Default interest*) of the Senior Facility Agreement, save to the extent that such interest is charged on such amount pursuant to the relevant Debt Document and itself constitutes a Secured Liability.

2.3 Limitation of liability

Notwithstanding any other term of this Share Pledge, the sole recourse of the Security Agent and the Secured Parties to the Chargor under this Share Pledge is to the Chargor's interest in the Charged Assets and the liability of the Chargor to the Security Agent and the Secured Parties pursuant to this Share Pledge shall be limited in aggregate to an amount equal to that recovered as a result of enforcement of this Share Pledge with respect to the Charged Assets and satisfied out of the proceeds of sale or other disposal or realisation of the Charged Assets pursuant to this Share Pledge.

3 Creation of Security

3.1 Pledge of Existing Shares

The Chargor in security for the payment of all the Secured Liabilities pledges and assigns to the Security Agent all its right, title and interest in the Existing Shares and the Related Rights derived therefrom.

3.2 Pledge of Further Shares

The Chargor in security for the payment of all the Secured Liabilities undertakes to pledge and assign to the Security Agent all its right, title and interest in any Further Shares (and any Related Rights derived therefrom) to which it becomes entitled after the date of this Share Pledge promptly upon becoming entitled to the same and agrees that upon registration of any Further Shares in the name of the Security Agent or its nominee in accordance with Clause 5.2 (*Further Shares*) such Further Shares (and the Related Rights derived therefrom) shall be held by the Security Agent or its nominee in security for the payment of all the Secured Liabilities in accordance with the terms of this Share Pledge.

4 Provisions as to Security

4.1 Continuing security

4.1.1 The security from time to time created by this Share Pledge is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Security Agent.

4.1.2 No part of the security from time to time created by this Share Pledge will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

4.2 Additional security

This Share Pledge shall be without prejudice and in addition to any other security which may at any time be held by the Security Agent from the Chargor or any other person in respect of the whole or any part of the Secured Liabilities and may be enforced independently of any such other security.

4.3 No obligation to take other enforcement proceedings

The Security Agent shall not be obliged before exercising any of the rights conferred on it by this Share Pledge or by law:

- 4.3.1 to make any demand of the Chargor or any other person other than that required by the terms of the Debt Documents;
- 4.3.2 to take any action, enforce any security, exercise any right of compensation or set-off or to obtain or enforce any judgement, decree or order in any court against the Chargor or any other person;
- 4.3.3 to make or file any claim or proof in a winding up, liquidation, administration or other insolvency proceedings of the Chargor or any other person; or
- 4.3.4 to enforce or seek to enforce any other security taken in respect of any of the obligations of the Chargor or any other person under the Debt Documents.

4.4 Waiver of defences

The obligations of the Chargor under this Share Pledge will not be affected by any act, omission or circumstances which, but for this Clause 4.4 (*Waiver of defences*), might operate to release, discharge, impair or otherwise affect any of the obligations of the Chargor under this Share Pledge or any of the rights, powers or remedies conferred upon the Security Agent by the Debt Documents or by law including (but without limitation) and whether or not known to the Chargor or the Security Agent:

- 4.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 4.4.2 the release of any other Obligor or any other person from its obligations under any Debt Document or any security or guarantee granted in connection therewith;
- 4.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 4.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 4.4.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Debt Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Debt Document or other document or security;
- 4.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security; and
- 4.4.7 any insolvency or similar proceedings.

4.5 Non-competition

Until the Common Transaction Security has been discharged, the Chargor will not, after a claim has been made or by virtue of any payment or performance by it of the Secured Liabilities:

- 4.5.1 be subrogated to any rights, security or monies held, received or receivable by any Secured Party or any Obligor nor be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Secured Liabilities;
- 4.5.2 claim, rank, prove or vote as a creditor of any Obligor in respect of the Charged Assets; or
- 4.5.3 receive, claim or have the benefit of any payment, distribution or security from or on account of an Obligor, or exercise any right of set-off as against an Obligor, in each case in respect of the Charged Assets,

and the Chargor shall forthwith pay or transfer to the Security Agent an amount equal to the amount of any dividend, distribution, contribution or benefit (including without limitation any amount set-off) actually received by it in respect of the Charged Assets and in the meantime shall hold the same in trust for the Security Agent to the extent required to pay or discharge the Secured Liabilities.

5 Perfection of Security

5.1 Existing Shares

Immediately upon the occurrence of the Acquisition Date, the Chargor shall deliver to the Security Agent duly executed transfers of the Existing Shares in favour of the Security Agent or its nominee together with the certificates in respect of the Existing Shares and such other documents as the Security Agent shall require to enable it (or its nominee) to be registered as the owner of or otherwise acquire legal title to the Existing Shares and shall procure the registration of the Existing Shares in the name of the Security Agent or its nominee.

5.2 Further Shares

The Chargor shall, promptly upon acquiring any interest in any Further Shares and in fulfilment of its obligations contained in Clause 3.2 (*Pledge of Further Shares*), deliver to the Security Agent duly executed and stamped transfers of those Further Shares together with all certificates and other documents of title or evidence of ownership of those Further Shares as the Security Agent shall require to enable it (or its nominee) to be registered as the owner of or otherwise acquire legal title to those Further Shares and shall procure the registration of those Further Shares in the name of the Security Agent or its nominee as soon as reasonably practicable after the date on which it acquires that interest and in any event no later than 14 days thereafter.

5.3 Further assurance

The Chargor will promptly do, or shall procure that the Company shall do, all such acts and execute all such documents as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to:

- 5.3.1 vest the Charged Assets (or any of them) in the name of the Security Agent or its nominee or otherwise perfect the security created or intended to be created by this Share Pledge;

- 5.3.2 to enable the Security Agent to exercise the rights, powers and remedies vested in it by or pursuant to this Share Pledge or by law; and/or
- 5.3.3 after the security created by this Share Pledge has become enforceable pursuant to Clause 10 (*When security becomes enforceable*) facilitate the realisation of the Charged Assets.

6 Restriction on Dealings

Save as expressly permitted by the Debt Documents, the Chargor will not create or permit to subsist any Encumbrance on any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets.

7 Exercise of Rights

7.1 Rights prior to default

- 7.1.1 Prior to the security created by this Share Pledge becoming enforceable in accordance with Clause 10 (*When security becomes enforceable*) the Chargor shall have the sole right to:

- (a) receive any dividends, interest and other monies arising from the Charged Assets and the Security Agent will, if so required by the Chargor, execute any necessary dividend mandate in connection therewith; and
- (b) subject to the provisions of Clause 9 (*Undertakings*), exercise all voting rights in relation to the Charged Assets in its own interests and, to the extent that such rights are exercisable by the Security Agent, the Security Agent shall, subject to the provisions of Clause 9 (*Undertakings*), exercise them in accordance with the Chargor's written instructions or if so required by the Chargor, execute any necessary form of proxy in connection therewith

and if the Security Agent receives any notice or other communication in respect of the Charged Assets it shall promptly pass them on to the Chargor but shall not be liable for any failure to do so.

- 7.1.2 Prior to the security created by this Share Pledge becoming enforceable in accordance with Clause 10 (*When security becomes enforceable*) the Security Agent shall have no right to:

- (a) receive any dividends, interest and other monies arising from the Charged Assets; or
- (b) exercise any voting rights in relation to the Charged Assets other than, subject to the provisions of Clause 9 (*Undertakings*), in accordance with the Chargor's written instructions to the extent that such rights are exercisable by the Security Agent.

7.2 Rights during default

After the security created by this Share Pledge has become enforceable in accordance with Clause 10 (*When security becomes enforceable*), the Security Agent may, at its discretion (without any further consent or authority from the Chargor):

- 7.2.1 exercise (or refrain from exercising) or, as the case may be, require the Chargor to exercise (or refrain from exercising):

- (a) any voting rights in respect of the Charged Assets and may revoke any proxy previously granted in connection therewith; and

- (b) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets,

in such manner and on such terms as the Security Agent may think fit for the purpose of preserving the value of or realising the security created by this Share Pledge; and

- 7.2.2 apply all or any dividends, interest and other monies arising from the Charged Assets in payment of the Secured Liabilities and may revoke any dividend mandate previously granted in connection therewith.

in such manner and on such terms as the Security Agent may think fit.

- 7.3 The provisions of Clause 7.2 will apply irrespective of whether the Chargor has delivered to the Lender the documents referred to in paragraph 5.1.

8 Representations and Warranties

8.1 Representations and warranties

The Chargor represents and warrants to the Security Agent that:

- 8.1.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
- 8.1.2 it has the power to grant this Share Pledge and to perform its obligations hereunder;
- 8.1.3 it has taken all necessary corporate action to authorise the execution and delivery of this Share Pledge and to authorise the performance of its obligations hereunder;
- 8.1.4 subject to the Legal Reservations and the Perfection Requirements (each as defined in the Senior Facility Agreement), this Share Pledge constitutes a legal, valid, binding and enforceable obligation of the Chargor;
- 8.1.5 neither the granting of this Share Pledge by the Chargor nor the performance of its obligations hereunder will contravene any law or regulation or any agreement to which the Chargor is a party or by which it is bound nor will it cause any limitation of any of the powers of the Chargor however imposed or the right or ability of the directors to exercise any such powers to be exceeded;
- 8.1.6 as at the date of this Share Pledge, the Existing Shares represent the entire issued share capital of the Company;
- 8.1.7 with effect from the Acquisition Date, it will be the sole legal and beneficial owner of the Existing Shares all of which are fully paid;
- 8.1.8 it has not granted or created, nor is there outstanding, any option, right of pre-emption, assignment or Encumbrance (as defined in the Senior Facility Agreement) over any of the Shares or the Related Rights;
- 8.1.9 there are no agreements or other arrangements in place which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, the share or loan capital of the Company (including any option or right of pre-emption or conversion);
- 8.1.10 the particulars contained in the Schedule are complete and accurate in all respects;

- 8.1.11 it has delivered to the Security Agent a complete and up to date copy of the articles of association of the Company together with any resolution varying or amending the rights attaching to the shares and there are no agreements or arrangements relating to the Shares which have not been disclosed in writing to the Security Agent;
- 8.1.12 all authorisations required for the entry into, performance, validity and enforceability of this Share Pledge by the Chargor have been obtained and are in full force and effect; and
- 8.1.13 subject to the Perfection Requirements (as defined in the Senior Facility Agreement), this Share Pledge creates those security interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

9 Undertakings

9.1 General undertakings

- 9.1.1 The Chargor shall comply with all laws, statutes and regulations (including those relating to the environment) which are applicable to it, and shall obtain, effect, comply with and maintain in full force and effect all registrations, licences, consents, authorisations and exemptions, which are in each case required for the performance, validity and enforceability of this Share Pledge and any document entered into pursuant to this Share Pledge.
- 9.1.2 The Chargor shall use all reasonable endeavours to ensure the Acquisition Date occurs as soon as reasonably practicable and shall, within one Business Day of the Chargor's receipt of a stamped stock transfer form in respect of the Existing Shares, procure that it is registered in the register of members as the holder of each of the Existing Shares.

9.2 Undertakings relating to Charged Assets

The Chargor shall:

- 9.2.1 promptly deliver to the Security Agent a copy of every circular, notice, resolution, minutes or other documents received by it in respect of any of the Charged Assets;
- 9.2.2 not take or omit to take any action which, in the opinion of the Security Agent, would prejudice the security conferred by this Share Pledge, impair the value of any of the Charged Assets or adversely affect the ability of the Security Agent to realise the security conferred by this Share Pledge and shall, at its own cost, promptly take all action which is at any time necessary to protect the value of the interests of the Chargor and the Security Agent in, and their rights to, the Charged Assets;
- 9.2.3 not vary or abrogate all or any of the rights attached to any of the Charged Assets or take or omit to take any steps which would result in such a change;
- 9.2.4 pay when due all calls or other payments which may be or become due in respect of any of the Charged Assets;
- 9.2.5 not permit the Company to issue any shares (or securities convertible into shares) or grant any option over or right to subscribe for any shares to any person other than the Chargor;
- 9.2.6 without prejudice to Clause 5.3 (*Further Assurance*) promptly sign, execute, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Security Agent may request in exercise of its powers under this Share Pledge; and

- 9.2.7 take such action as the Security Agent may in its absolute discretion direct (but acting in good faith) for the purpose of preserving the value of the security over the Charged Assets in respect of any vote concerning a members voluntary winding up or any proposed compromise, arrangement, capital reorganisation, conversion, exchange, repayment or takeover offer affecting or in respect of any of the Charged Assets or any proposal made for varying or abrogating any rights attaching to any of the Charged Assets.

9.3 Performance by Security Agent

If the Chargor fails to perform any obligations relating to the Charged Assets (including the payment of any call or other payment due in respect of any of the Charged Assets), the Security Agent may, at its sole discretion, do so on its behalf and any cost or expenses incurred by the Security Agent in so doing shall be repaid by the Chargor to the Security Agent on demand together with accrued interest thereon at the Default Rate from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgement).

9.4 No liability for Security Agent

Notwithstanding the provisions of Clause 9.3 (*Performance by Security Agent*) the Security Agent shall not be obliged to perform any of the obligations of the Chargor in relation to the Charged Assets nor shall it have any liability in respect of the Charged Assets as a result of the grant of this Share Pledge, the transfer of any of Charged Assets to it or its nominee (and the rights attached to the Charged Assets shall notwithstanding such transfer be treated as held by the Chargor for the purposes of paragraph 7 of Schedule 6 to the Companies Act 2006) or as a result of the performance or non-performance of any such obligation.

10 When Security becomes Enforceable

The security created by this Share Pledge will become immediately enforceable if an Enforcement Event has occurred which is continuing.

11 Enforcement of Security

11.1 Enforcement

After the security created by this Share Pledge has become enforceable in accordance with Clause 10 (*When security becomes enforceable*), the Security Agent may in its absolute discretion enforce all or any part of the security created by this Share Pledge in any manner it sees fit and, without prejudice to the generality of the foregoing, may without prior notice to the Chargor:

- 11.1.1 sell, transfer or otherwise dispose of all or any of the Charged Assets on such terms as the Security Agent may in its absolute discretion determine; and
- 11.1.2 for the purpose of preserving the value of the security over the Charged Assets or of realising it, exercise all the rights and powers attached to the Charged Assets and generally act in relation to the Charged Assets in such manner as the Security Agent may determine as if it were the absolute owner thereof.

11.2 Protection of third parties

- 11.2.1 No purchaser from, or other person dealing with, the Security Agent shall be concerned to enquire whether any of the powers exercised or purported to be exercised has arisen or become exercisable, whether any of the Secured Liabilities remains outstanding, whether the Security Agent is authorised to act or as to the propriety or validity of the exercise or purported exercise of any power and a certificate in writing by an officer or agent of the Security Agent that the power of sale or other disposal has arisen and is exercisable shall be conclusive evidence of that fact in favour of a purchaser of all or any of the Charged Assets.
- 11.2.2 The receipt of the Security Agent shall be an absolute discharge to a purchaser from, or other person dealing with, the Security Agent and shall relieve that purchaser of any obligation to see to the application of any monies paid to or at the discretion of Security Agent and in making any sale or disposal the Security Agent may do so for such consideration, in such manner and on such terms (including payment by instalments) as it thinks fit.

11.3 Protection of the Security Agent

The Security Agent shall not be liable to the Chargor in respect of any loss or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of its powers or for any other loss of any nature whatsoever, other than in cases of fraud or wilful misconduct.

11.4 Delegation

- 11.4.1 The Security Agent may from time to time delegate by power of attorney or otherwise to any person or corporation any of the powers and discretions of the Security Agent under this Share Pledge whether arising by statute, the provisions hereof or otherwise upon such terms and for such periods of time as it may think fit and may determine any such delegation.
- 11.4.2 The Security Agent will not be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate, and references in this Share Pledge to the Security Agent will where the context so admits include references to any delegates so appointed, other than in cases of fraud or wilful misconduct.

12 Set Off

A Secured Party may set-off any matured obligation due from the Chargor under the Debt Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

13 Expenses and Indemnity

13.1 Expenses

The Chargor shall pay to the Security Agent and each attorney or delegate duly appointed by the Security Agent under this Share Pledge the amount of all costs and expenses (including legal fees and together with any applicable value added tax) incurred by it in connection with:

13.1.1 the perfection of any security created or purported to be created pursuant to this Share Pledge; and

13.1.2 the enforcement and preservation of its rights under this Share Pledge.

13.2 Indemnity

13.2.1 The Chargor shall indemnify the Security Agent from and against all losses, costs, expenses, claims, demands and liabilities whether in contract, delict, tort or otherwise (together with any applicable value added tax) incurred by the Security Agent or by any employee, agent or delegate of the Security Agent in connection with anything done or omitted under this Share Pledge or any other document relating to it, or in the exercise or attempted or purported exercise of the powers contained in this Share Pledge or occasioned by any breach by the Chargor of any of its undertakings or other obligations to the Security Agent, or in consequence of any payment in respect of the Secured Liabilities (whether made by the Chargor or a third person) being declared void or impeached for any reason.

13.2.2 The Security Agent may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Share Pledge.

13.2.3 Nothing in this clause 13.2 shall entitle the Security Agent or any other person to indemnification in respect of matters of fraud or wilful misconduct by the Security Agent or by any employee, agent or delegate of the Security Agent.

14 Release of Security

14.1 Release of security

When the Secured Liabilities have been irrevocably paid or discharged in full to the satisfaction of the Security Agent and the Security Agent has no further obligation to provide credit facilities or other accommodation to any Obligor or, if the Security Agent so agrees, at any other time, the Security Agent shall, subject to the provisions of Clause 15 (*Avoidance of Payments*), at the request and cost of the Chargor, execute such documents as may be required to release this Share Pledge and any other security created over the Charged Assets by this Share Pledge.

14.2 Entitlement to retain security

If any payment or discharge of the Secured Liabilities is, in the reasonable opinion of the Security Agent, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Security Agent may refuse to grant any release of the security created by this Share Pledge for such further period as the risk of such avoidance or invalidity continues.

15 Avoidance of Payments

No assurance, security or payment which may be avoided or adjusted under the law, including under any statute relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Security Agent on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Security Agent to recover the Secured Liabilities from the Chargor (including any monies which the Security Agent may be compelled to pay or refund under the provisions of the Insolvency Act and any costs payable by it pursuant to or otherwise incurred in connection therewith) or to enforce the security created by this Share Pledge to the full extent of the Secured Liabilities.

16 Cumulative Remedies and Waivers

The rights of the Security Agent may be exercised as often as necessary, are cumulative and are in addition to its rights under general law and may be waived only in writing and specifically. Delay in the exercise or non-exercise of any right shall not be a waiver of that right.

17 Severability

If any of the provisions of this Share Pledge is or becomes invalid, illegal or unenforceable that shall not affect the validity, legality and enforceability of any other provision in this Share Pledge.

18 Evidence and Calculations

Any certificate or determination by the Security Agent as to the amount of the Secured Liabilities shall, in the absence of manifest error, be conclusive and binding on the Chargor for all purposes.

19 Application of Proceeds

19.1 Application of proceeds

Any moneys received by the Security Agent after this Share Pledge has become enforceable shall be applied in accordance with the terms of Clause 15.1 (*Application of proceeds*) of the Intercreditor Agreement.

19.2 Other claims

The provisions of Clause 19.1 (*Application of Proceeds*) are subject to the payment of any claims having priority over the security created by this Share Pledge. This Clause does not prejudice the right of the Security Agent to recover any shortfall from the Chargor.

20 New Accounts

20.1 New Accounts

If the Security Agent at any time becomes aware of any subsequent security or other like interest, matter, event or transaction affecting any Charged Asset, the Security Agent may open a new account or accounts for the Chargor in its books.

20.2 Ruling off

If the Security Agent does not open any such new account then, unless it gives express written notice to the Chargor to the contrary, the Security Agent will be treated as if it had in fact opened such account or accounts at the time when it became so aware and as from that time all payments by or on behalf of the Chargor to the Security Agent will be credited or treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities then outstanding.

21 Suspense Accounts

All monies received, recovered or realised by the Security Agent under this Share Pledge (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Security Agent may think fit pending their application from time to time (as the Security Agent is entitled to do in its discretion until such time as the Security Agent holds sufficient funds to discharge the Secured Liabilities in full) in or towards the discharge of any of the Secured Liabilities and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

22 Power of Attorney

22.1 Appointment and powers

By way of security for the obligations of the Chargor under this Share Pledge, the Chargor irrevocably appoints the Security Agent to be its attorney on its behalf or in its name or otherwise to execute and do all such assurances, acts and things which the Chargor is required to do under this Share Pledge and generally in its name and on its behalf to exercise all or any of the powers, conferred by or pursuant to this Share Pledge or by statute on the Security Agent and to sign, execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may reasonably deem proper in or for the purpose of exercising any such powers, authorities and discretions.

22.2 Ratification

The Chargor ratifies and confirms whatever any such attorney mentioned in Clause 22.1 (Appointment and powers) shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such Clause.

23 Transfers

23.1 Transfer by Chargor

The Chargor may not assign or otherwise transfer its rights and obligations under this Share Pledge.

23.2 Transfer by Security Agent

The Security Agent may assign and transfer all or any of its rights and obligations under this Share Pledge to any person appointed as its successor Security Agent (or any joint trustee) or otherwise pursuant to the Intercreditor Agreement. The Security Agent shall be entitled to disclose such information concerning the Chargor and this Share Pledge as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

24 Notices

24.1 Communications in writing

Any communication to be made under or in connection with this Share Pledge should be given in accordance with the provision of Clause 21 (*Notices*) of the Intercreditor Agreement.

25 Financial Collateral

25.1 Right to appropriate

To the extent that the Charged Assets constitute "financial collateral" and this Share Pledge and the obligations of the Chargor constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**")) the Security Agent shall have the right after the security created by this Share Pledge has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

25.2 Value of financial collateral

For the purpose of Clause 25.1 (*Right to appropriate*), the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it. In each case, the parties agree that the method of valuation provided for in this Share Pledge shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

26 Stamp Duty

26.1 The Chargor shall pay all stamp duties and other similar taxes or duties payable on or arising out of or in consequence of:

26.1.1 the creation of the security constituted by this Share Pledge; and

26.1.2 the execution and delivery of this Share Pledge and any documents executed pursuant hereto.

27 Registration

The Chargor consent to registration of this Share Pledge for preservation.

28 Counterparts

This Pledge may be executed in any number of counterparts, and on such execution, the counterparts shall be treated as a single document pursuant to the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015.

29 Governing Law

29.1 Governing law

This Share Pledge shall be governed by, and construed in accordance with, the laws of Scotland.

29.2 Jurisdiction

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

29.2.2 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.

29.2.3 This Clause 29.2 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF this Share Pledge consisting of this together with the preceding 15 pages together with Schedule is executed as follows:

Executed (but not delivered until the date of delivery specified below) for and on behalf of

Chargor

BS 177 Number 3 Limited

by

Director
(Print Full Name)

WILLIAM HILL

Director
(Signature)

at BELLSHILL

on 15 JANUARY 2019

In the presence of this witness:

Witness

HANNAH FURNESS

Full name


Address

Executed (but not delivered until the date of delivery specified below) for and on behalf of

Security Agent

BANK OF SCOTLAND PLC as Security Agent

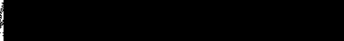
by LYNN KENNIE Authorised Signatory
(Print Full Name)

 Authorised Signatory
(Signature)

at GLASGOW

on 15 JANUARY 2019

in the presence of this witness:

 Witness

LORNA HENDERSON Full name

 Address

Date of delivery: 15 JANUARY 2019

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING SHARE PLEDGE BY BS 177 NUMBER 3 LIMITED IN FAVOUR OF THE BANK OF SCOTLAND PLC AS THE SECURITY TRUSTEE FOR THE SECURED PARTIES.

The Schedule

The Existing Shares

Company in which shares held	Regd. No.	Class and nominal value of shares	Number of shares of that class	Issued share capital of that class
HFD Glasgow 2 Limited	SC508105	Ordinary shares of £1.00	One ordinary share	One ordinary share