

M

CHWP000

Please complete
In typescript, or in
bold black
capitals

FORM No. LLP 466(Scot)

LLP466

Particulars of an instrument of alteration to a floating charge created by a limited liability partnership registered in Scotland

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

LLP Number

SO307098

For official use

Full Name of Limited Liability Partnership

FINANCE DEVELOPMENT LLP

Date of creation of the charge (note 1)

27 APRIL 2021

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

UNBRANDED FINANCE LIMITED

Short particulars of all the property charged

THE WHOLE OF THE PROPERTY (INCLUDING UNCALLED CAPITAL) WHICH IS OR MAY FROM TIME TO TIME BE COMPRISED IN THE PROPERTY AND UNDERTAKING OF THE COMPANY

Please give the name, address, telephone number and e-mail (if available) of the person Companies House should contact if there is any query. (DX addresses are acceptable for this purpose if you have one)

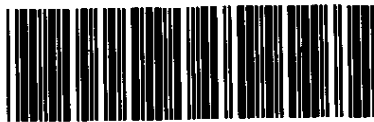
GAVIN BUCHAN, LINDSAYS LLP, DX ED 25 EDINBURGH

(RZG/GB/UN/461/4)

Tel 0131 656 5764

E-mail GAVINBUCHAN@LINDSAYS.CO.UK

TUESDAY



SA4RTZHM

SCT

18/05/2021

#38

COMPANIES HOUSE

When you have completed and signed the form on page 4 please send it to the Registrar of Companies at:

Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF
DX ED235 Edinburgh or LP - 4 Edinburgh 2

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

SEE PAPER APART 1

*Please complete
in typescript, or in
bold black
capitals*

Date(s) of execution of the instrument of alteration

29 & 30 APRIL 2021 and delivered on 30 APRIL 2021

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the LLP of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

The Borrower undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

(a) create, or allow to subsist, any Security Interest (other than a Permitted Security) over any of its assets, or any guarantee, for or in respect of any of the Junior Debt or in respect of a loan or credit provided to the Junior Creditor by another person; or

(b) take, or omit to take, any action which may impair the ranking set out in this Agreement.

The Junior Creditor undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

(a) take, or allow to exist, any Security Interest (other than a Junior Security Interest), or any guarantee, from the Borrower for or in respect of any of the Junior Debt or from the Borrower in respect of a loan or credit provided to the Junior Creditor by another person; or

(b) take, or omit to take, any action which may impair the ranking set out in this Agreement

See Paper Apart 2 for definitions

Short particulars of any property released from the floating charge

NONE

The amount, if any, by which the amount secured by the floating charge has been increased

N/A

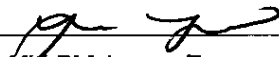
***Please complete
in typescript, or in
bold black
capitals***

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

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

*Please complete
in typescript, or
in bold black
capitals*

*A fee is payable
to Companies
House in respect
of each register
entry for a mort-
gage or charge.
(See Note 5)*

Signed  Date 18/5/21
On behalf of ~~LLP~~ [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.

☐ delete as appropriate

2. In accordance with section 466(1) * the instrument of alteration should be executed by the LLP, 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 must be made payable to **Companies House**.

* As applied to LLPs by Schedule 2 of the Limited Liability Partnerships Regulations 2001

PAPERS APART – FORM 466

FINANCE DEVELOPMENT LLP a limited liability partnership registered in Scotland with registration number SO307098

Paper Apart 1

Names and addresses of parties who have executed the instrument of alteration

- 1) UNBRANDED FINANCE LIMITED (12387831) UNITED HOUSE, 9 PEMBRIDGE ROAD, LONDON, W11 3JY ("SENIOR CREDITOR")
- 2) SOUTER ORCHARD BRAE LIMITED (SC667779) 4th Floor, 68-70 GEORGE STREET, EDINBURGH, EH2 2LR ("JUNIOR CREDITOR")
- 3) FINANCE DEVELOPMENT LLP (SO307098) 18 WALKER STREET, EDINBURGH, EH3 7LP ("BORROWER")

See below for definitions

Paper Apart 2

Definitions referred to in the Form 466

"Agreement" means the instrument of alteration being a ranking agreement between the Senior Creditor, Junior Creditor and the Borrower;

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Scotland;

"Creditors" means the Senior Creditor and the Junior Creditor and **"Creditor"** means either of them;

"Debt Document" means any Junior Debt Document and any Senior Debt Document;

"Enforcement Date" means the Business Day following the date on which a Creditor receives written notice from the other Creditor that the other Creditor has taken action to:

- (a) demand repayment or payment of any of the Liabilities secured by the Security Interests constituted by any of its Security Documents; or
- (b) enforce any of those Security Interests; or
- (c) take possession of any asset subject to any of those Security Interests;

"Junior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Junior Creditor under the Junior Debt Documents which are secured by any Junior Security Interest;

"Junior Debt Document" means any document referred to in Part 2A of the Schedule (*Junior Lending Documents*) and any Junior Security Document;

"Junior Security Document" means the Junior Standard Security and any other document referred to in Part 2B of the Schedule (*Junior Security Documents*);

"Junior Security Interest" means any Security Interest in favour of the Junior Creditor created by a Junior Security Document;

"Junior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Junior Creditor over the Property on or around the date of the Agreement and to be registered in the Land Register of Scotland under Title Number MID88215;

"Liabilities" means all present or future monies, debts, obligations or liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity;

"Material Adverse Effect" has the meaning given to that term in the Senior Debt Document;

"Members Agreement" has the meaning given to that term in the Senior Debt Document;

"Parties" means the parties to the Agreement (each being a "Party");

Permitted Payment" has the meaning given to that term in the Senior Debt Document;

"Permitted Security" has the meaning given to that term in the Senior Debt Document;

"Property" means ALL and WHOLE the subjects known as and forming Finance House, Orchard Brae, Edinburgh, EH4 1PF being the whole subjects registered in the Land Register of Scotland under Title Number MID88215;

"Receiver" means an administrator, receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents;

"Schedule" means the schedule in two parts annexed as relative to the Agreement;

"Security Document" means any Senior Security Document and any Junior Security Document;

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

"Senior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Senior Creditor under the Senior Debt Documents which are secured by any Senior Security Interest;

"Senior Debt Document" any document referred to in Part 1A of the Schedule (*Senior Lending Documents*) and any Senior Security Document;

"Senior Security Document" means the Senior Standard Security and any document referred to in Part 1B of the Schedule (*Senior Security Documents*);

"Senior Security Interest" means any Security Interest in favour of the Senior Creditor created by a Senior Security Document; and

"Senior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Senior Creditor over the Property on or around the date of the Agreement and to be registered in the Land Register of Scotland;





FILE COPY

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

LLP NO. SO307098
CHARGE CODE SO30 7098 0001

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 30 APRIL 2021 WERE DELIVERED
PURSUANT TO SECTION 466 OF THE COMPANIES ACT 1985 AS
APPLIED BY THE LIMITED LIABILITY PARTNERSHIPS
REGULATIONS 2001 ON, 18 MAY 2021

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 27
APRIL 2021

BY FINANCE DEVELOPMENT LLP

IN FAVOUR OF UNBRANDED FINANCE LIMITED

GIVEN AT COMPANIES HOUSE, EDINBURGH 19 MAY 2021



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

UNBRANDED

FINANCE

Ranking Agreement

between

UNBRANDED FINANCE LIMITED

as Senior Creditor


SOUTER ORCHARD BRAE LIMITED

as Junior Creditor

FINANCE DEVELOPMENT LLP

as Borrower

CERTIFIED A TRUE COPY


LINDSAYS LLP
CALEDONIAN EXCHANGE
19A CANNING STREET
EDINBURGH EH3 8HE

ELIAN GRIFFITHS
SOLICITOR

THE DATE OF DELIVERY OF THIS AGREEMENT IS 30 APRIL 2021

RANKING AGREEMENT

BETWEEN:

- (1) **UNBRANDED FINANCE LIMITED** a company registered in England and Wales with registration number 12387831 and whose registered office is at United House, 9 Pembridge Road, London, W11 3JY (the "**Senior Creditor**");
- (2) **SOUTER ORCHARD BRAE LIMITED** a company registered in Scotland with registration number SC667779 and whose registered office is at 4th Floor 68-70 George Street, Edinburgh EH2 2LR (the "**Junior Creditor**"); and
- (3) **FINANCE DEVELOPMENT LLP** a limited liability partnership registered in Scotland with registration number SO307098 and whose registered office is at 18 Walker Street, Edinburgh, EH3 7LP (the "**Borrower**").

BACKGROUND

- (A) The Senior Creditor has agreed to provide, or has provided, the Senior Debt to the Borrower and the Borrower has entered into, or will enter into, the Senior Security Documents to secure the Senior Debt.
- (B) The Junior Creditor has agreed to provide, or has provided, the Junior Debt to the Borrower and the Borrower has entered into, or will enter into, the Junior Security Documents to secure the Junior Debt.
- (C) The Senior Creditor and the Junior Creditor have agreed that the priority of the Senior Security Interests and the Junior Security Interests for the Senior Debt and the Junior Debt respectively shall be as set out in this Agreement.
- (D) The Borrower has agreed to enter into this Agreement to acknowledge its terms and to give certain undertakings to the Creditors.

IT IS HEREBY AGREED AND DECLARED as follows:

1. Definitions and Interpretation

1.1 Definitions

In this Agreement:

"Agreement" means this ranking agreement;

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Scotland;

"Creditors" means the Senior Creditor and the Junior Creditor and **"Creditor"** means either of them;

"Debt Document" means any Junior Debt Document and any Senior Debt Document;

"Enforcement Date" means the Business Day following the date on which a Creditor receives written notice from the other Creditor that the other Creditor has taken action to:

- (a) demand repayment or payment of any of the Liabilities secured by the Security Interests constituted by any of its Security Documents; or
- (b) enforce any of those Security Interests; or
- (c) take possession of any asset subject to any of those Security Interests;

"Junior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Junior Creditor under the Junior Debt Documents which are secured by any Junior Security Interest;

"Junior Debt Document" means any document referred to in Part 2A of the Schedule (*Junior Lending Documents*) and any Junior Security Document;

"Junior Security Document" means the Junior Standard Security and any other document referred to in Part 2B of the Schedule (*Junior Security Documents*);

"Junior Security Interest" means any Security Interest in favour of the Junior Creditor created by a Junior Security Document;

"Junior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Junior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland under Title Number MID88215;

"Liabilities" means all present or future monies, debts, obligations or liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity;

"Material Adverse Effect" has the meaning given to that term in the Senior Debt Document;

"Members Agreement" has the meaning given to that term in the Senior Debt Document;

"Parties" means the parties to this Agreement (each being a "Party");

"Permitted Payment" has the meaning given to that term in the Senior Debt Document;

"Permitted Security" has the meaning given to that term in the Senior Debt Document;

"Property" means ALL and WHOLE the subjects known as and forming Finance House, Orchard Brae, Edinburgh, EH4 1PF being the whole subjects registered in the Land Register of Scotland under Title Number MID88215;

"Receiver" means an administrator, receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents;

"Schedule" means the schedule in two parts annexed as relative to this Agreement;

"Security Document" means any Senior Security Document and any Junior Security Document;

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

"Senior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Senior Creditor under the Senior Debt Documents which are secured by any Senior Security Interest;

"Senior Debt Document" any document referred to in Part 1A of the Schedule (*Senior Lending Documents*) and any Senior Security Document;

"Senior Security Document" means the Senior Standard Security and any document referred to in Part 1B of the Schedule (*Senior Security Documents*);

"Senior Security Interest" means any Security Interest in favour of the Senior Creditor created by a Senior Security Document; and

"Senior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Senior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland;

1.2 Construction

(a) Unless a contrary indication appears, and reference in this Agreement to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description;
- (ii) the **"Borrower"**, the **"Junior Creditor"**, the **"Senior Creditor"**, any party to this Agreement or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (iii) this **"Deed"** or any other agreement or instrument is a reference to this Agreement or that other agreement or instrument as amended, novated, supplemented, extended or restated;
- (iv) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (v) a provision of law is a reference to that provision as amended or re-enacted and includes any subordinate legislation;
- (vi) the **"Senior Debt"** or the **"Junior Debt"** include any part of such respective debt; and
- (vii) words in the singular include the plural and vice versa and words in one gender include any other gender.

(b) Clause and Schedule headings are for ease of reference only.

1.3 Third party rights

A person who is not a party to this Agreement has no right under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or to enjoy the benefit of any term of this Agreement.

1.4 Clawback

If the Senior Creditor considers that an amount paid in respect of the Senior Debt is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

2. Ranking and priority

2.1 Senior Creditor consent

The Senior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Junior Debt and the Junior Security Interests; and
- (b) confirms that the creation or subsistence of the Junior Security Interests does not constitute a default by the Borrower under any of the Senior Debt Documents.

2.2 Junior Creditor consent

The Junior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Senior Debt and the Senior Security Interests; and
- (b) confirms that the creation or subsistence of the Senior Security Interests does not constitute a default by the Borrower under any of the Junior Debt Documents.

2.3 Ranking

Each Creditor and the Borrower agree that:

- (a) the Senior Security Interests rank and shall rank, to the extent of the Senior Debt, in priority to the Junior Security Interests; and
- (b) the Junior Security Interests are and shall be postponed to, and rank after, the Senior Security Interests.

2.4 Waiver of defences

Nothing in this Agreement shall affect the status of the Security Documents as continuing security, nor shall the ranking of the Security Interests specified in Clause 2.3 (*Ranking*) be affected by any act, omission, transaction, limitation, matter, thing or circumstance whatever which but for this provision might operate to affect the relative ranking and priorities of the Security Interests constituted by the Security Documents, including, but not limited to:

- (a) the nature of the various Security Interests constituted by the Security Documents and the order of their execution or registration; or
- (b) any provision contained in any of the Security Documents; or
- (c) the respective date (or dates) on which any person received notice of the existence or creation of any Security Interest constituted by any Security Document; or

- (d) the respective date (or dates) on which monies may be, or have been, advanced or become owing or payable under a Debt Document or secured under a Security Document; or
- (e) any fluctuation from time to time in the amount of Liabilities secured by a Security Document (which shall be continuing security in favour of the respective Creditors) and in particular, but not limited to, any reduction to nil of the Liabilities so secured; or
- (f) the existence at any time of a credit balance on any current or other account of the Borrower; or
- (g) the appointment of any liquidator, Receiver, administrator or other similar officer either in respect of the Borrower or over all or any part of the Borrower's assets;
- (h) the provisions of Section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970 or of Sections 464 and 466 of Companies Act 1985 or any other rule of law which might operate to the contrary; or
- (i) any amendment or supplement to or variation of any Debt Document.

2.5 Invalidity of security

If all or any of the Senior Security Interests or Junior Security Interests:

- (a) are released; or
- (b) are or become wholly or partly invalid or unenforceable,

the Senior Creditor or Junior Creditor (respectively) shall bear the resulting loss and shall not be entitled to share in monies derived from assets over which it has no effective security.

2.6 No challenge to security

Neither Creditor shall challenge or question:

- (a) the validity or enforceability of any Security Interest constituted by a Security Document; or
- (b) the nature of any Security Interest constituted by a Security Document; or
- (c) without prejudice to the generality of the foregoing, whether any Security Interest constituted by a Security Document is fixed or floating.

3. Company undertakings

The Borrower undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) create, or allow to subsist, any Security Interest (other than a Permitted Security) over any of its assets, or any guarantee, for or in respect of any of the Junior Debt or in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or

- (c) subject to clause 7, pay, repay or make any distribution in respect of any of the Junior Debt in cash or in kind other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement; or
- (d) buy or acquire any of the Junior Debt; or
- (e) exercise any right of set-off against the Junior Debt; or
- (f) make a loan or provide credit to the Junior Creditor; or
- (g) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4. Junior Creditor undertakings

4.1 No other security

The Junior Creditor undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) take, or allow to exist, any Security Interest (other than a Junior Security Interest), or any guarantee, from the Borrower for or in respect of any of the Junior Debt or from the Borrower in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or
- (c) subject to clause 7, demand, take, accept or receive any payment or distribution in respect or on account of the Junior Debt in cash or in kind, or apply any money or property in discharge of the Junior Debt other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement;
- (d) exercise any right of set-off against the Junior Debt; or
- (e) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4.2 No other arrangements

The Junior Creditor shall not make any arrangement which would place, or which aims to place, the Junior Creditor in a position similar to that in which it would be if:

- (a) it had received a payment in respect of the Junior Debt; or
- (b) the Junior Debt had been secured by a Security Interest (other than the Junior Security Interests).

5. Preservation of rights

5.1 Rights and remedies not prejudiced

Nothing in this Agreement shall as between the Borrower and a Creditor affect or prejudice any rights or remedies of a Creditor under its Security Documents.

5.2 No waiver

No delay in exercising rights and remedies in respect of the Senior Debt or the Junior Debt because of any term of this Agreement postponing, restricting or preventing such exercise shall operate as a waiver of any of those rights and remedies.

5.3 Insurance

The Senior Creditor may require the Borrower to insure its assets and, prior to the Enforcement Date, apply any monies received or recovered in respect of any claim under any relevant insurance policy in accordance with the terms of the Senior Debt Documents or such other insurance provisions in the Debt Documents as the Senior Creditor may select. The Creditors acknowledge that the Borrower's compliance with the insurance obligations so selected shall be a full discharge by the Borrower of its insurance obligations under the Debt Documents.

5.4 Title documents

The Senior Creditor shall be entitled, but not obliged, to hold each title or other document relating to any asset subject to a Senior Security Interest.

6. Senior Debt enforcement

6.1 Senior Debt enforcement events

If reasonably practicable, the Senior Creditor shall notify the Junior Creditor before:

- (a) it serves a demand for payment of the Senior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) it serves a notice on the Borrower to the effect that the Senior Debt is immediately due and payable; or
- (c) it takes any step to crystallise any floating charge contained in any Senior Security Document; or
- (d) it takes any step to enforce any Senior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) it presents, or joins in, a petition for an administration or winding-up order to be made in relation to the Borrower, or appoints or takes any other step for the appointment of an administrator of the Borrower; or
- (f) it initiates, supports or takes, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower; or
- (g) a Receiver appointed by it sells, leases or disposes of an asset subject to any Senior Security Interest or grants an interest in, or right in respect of, such an asset.

6.2 Notification of action taken

As soon as reasonably practicable after taking any action in accordance with Clause 6.1 (*Senior debt enforcement events*), the Senior Creditor shall inform the Junior Creditor of the action taken and, if a Receiver has been appointed, consult with the Junior Creditor with a view to that Receiver's appointment continuing or, if that is not agreed, to the appointment of others to act jointly with him.

6.3 Failure to consult

No action taken by the Senior Creditor shall be invalid or ineffective because of the failure to notify with the Junior Creditor in accordance with Clause 6.1 (*Senior Debt enforcement events*).

6.4 Marshalling

The Junior Creditor waives any right it has, or may have in the future, to marshalling in respect of any Senior Security Interest.

6.5 Co-operation by Junior Creditor

The Junior Creditor will, at the request of the Senior Creditor or any Receiver or administrator appointed by the Senior Creditor, join in such documents and give such releases or consents to dealing or otherwise take such action in respect of the Junior Security Documents as may be reasonably required by the Senior Creditor or such Receiver or administrator to facilitate the disposal of any asset subject to a Senior Security Interest free from the Security Interests created under Junior Security Documents whether or not there will be any balance of proceeds available for the Junior Creditor arising from that disposal.

7. Junior Debt enforcement

7.1 Junior Debt enforcement events

7.1.1 Except with the prior written consent of the Senior Creditor, the Junior Creditor shall not:

- (a) serve a demand for payment of the Junior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) serve a notice on the Borrower to the effect that the Junior Debt is immediately due and payable; or
- (c) take any step to crystallise any floating charge contained in any Junior Security Document; or
- (d) take any step to enforce any Junior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) present, or join in, a petition for an administration or winding-up order to be made in relation to the Borrower or appoint or takes any step for the appointment of an administrator of the Borrower; or
- (f) initiate, support or take, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower.

7.1.2 Notwithstanding clause 7.1.1, the Junior Creditor is entitled to take any of the steps set out at clause 7.1.1(a) - 7.1.1(f) (inclusive) where the Senior Creditor has taken equivalent steps in respect of the Borrower.

7.2 Senior Creditor directions to Junior Creditor

The Junior Creditor shall comply with any directions given by the Senior Creditor relating to taking any of the following actions:

- (a) presenting a petition for an administration or winding-up order to be made in relation to the Borrower; or
- (b) joining in, or opposing, such a petition; or
- (c) voting for or against, or accepting or rejecting:
 - (i) any proposal in a voluntary arrangement or administration in relation to the Borrower or in its winding-up; or
 - (ii) any scheme of arrangement proposed in relation to the Borrower; or
 - (iii) any rescheduling, refinancing or reorganisation agreement or moratorium in respect of any debts of the Borrower.

8. Application of proceeds

8.1 Order of distribution

The priority of the Creditors shall stand (regardless of the order of execution, registration or giving of notice or otherwise) so that all proceeds of enforcement or realisation of all or any of the Security Interests constituted by any of the Security Documents shall, after providing for all reasonable outgoings, costs, charges, expenses and liabilities of enforcement, exercising rights on winding-up and payments ranking in priority as a matter of law, be applied in the following order of priority:

- (a) first, in or towards the discharge of the Senior Debt;
- (b) second, once the Senior Debt has been fully discharged, in or towards discharge of the Junior Debt; and
- (c) third, after the Junior Debt has been fully discharged, to the Borrower or any other person entitled to it.

8.2 Preferential debts

The Junior Creditor shall bring into account any preferential payments under section 386 of, and Schedule 6 to, the Insolvency Act 1986 received by it.

8.3 Purchaser protection

No purchaser dealing with a Creditor or any Receiver shall be concerned in any way with the provisions of this Agreement but shall assume that the Creditor or Receiver, as the case may be, is acting in accordance with the provisions of this Agreement.

9. Expenses

9.1 Negotiation and amendment costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable and pre-agreed costs and expenses reasonably incurred by that Creditor in connection with:

- (a) the negotiation, preparation, execution and perfection of this Agreement; and

- (b) any amendment, extension, waiver, consent or suspension of rights relating to this Agreement.

9.2 Enforcement costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable costs and expenses reasonably incurred by that Creditor in connection with enforcing or preserving any rights under the provisions of this Agreement.

10. Duration

10.1 Duration

This Agreement shall cease to have effect when the Senior Debt has, to the satisfaction of the Senior Creditor, been irrevocably and unconditionally paid and discharged in full.

11. Restrictions on assignation and transfers

11.1 Junior Creditor

The Junior Creditor shall not assign or transfer any of its rights or benefits under this Agreement or any Junior Debt Document without first requiring the assignee or transferee to execute and deliver to the Senior Creditor a deed (in a form satisfactory to the Senior Creditor) in which the assignee or transferee agrees to be bound by the terms of this Agreement.

11.2 Senior Creditor

The Senior Creditor shall be entitled to assign or transfer any of its rights and benefits under this Agreement to any person to whom all or a corresponding part of its rights and benefits and, where applicable, obligations under any Senior Debt Document are assigned or transferred in accordance with the provisions of the relevant Senior Debt Document.

12. Refinancing of Senior Debt

The Junior Creditor agrees that:

- (a) the Senior Debt may be refinanced at any time by any person, whether or not that person is the Senior Creditor (and, if not the Senior Creditor, a bank or banks of international repute and creditworthiness); and
- (b) the new debt shall rank with the priority specified, and be secured in the manner agreed, in this Agreement.

13. Acknowledgements of the Borrower

13.1 Company's acknowledgement and consent

The Borrower acknowledges the terms of this Agreement and consents to the Creditors communicating with each other about the Borrower's affairs for the purposes of this Agreement.

13.2 No reliance by Company

The Borrower further acknowledges that none of the provisions entered into by the Creditors in this Agreement are for the benefit of the Borrower, nor may they be enforced or relied on by the Borrower.

14. Endorsement on Security Documents

Each Creditor agrees to endorse a memorandum of this Agreement on each Security Document entered into or to be entered into in its favour, and acknowledges the right of the other Creditor to the production and delivery of a copy of any such Security Document as soon as is reasonably practicable.

15. Variation and Alteration

The Senior Security Documents and the Junior Security Documents are varied to the extent specified in this Agreement and this Agreement shall be construed and receive 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.

16. Remedies, waivers, amendments and consents

16.1 Amendments

Any amendment to this Agreement shall be in writing and signed by, or on behalf of, each party, except that:

- (a) the Senior Creditor does not need the Junior Creditor's consent to an amendment to this Agreement (and the Junior Creditor need not be party to any amendment document) that only alters the Borrower's obligations to the Senior Creditor and the corresponding rights of the Senior Creditor; and
- (b) neither Creditor needs the Borrower's consent to an amendment to this Agreement (and the Borrower need not be party to any amendment document) that only alters the obligations of one Creditor to the other Creditor and the corresponding rights of that other Creditor.

16.2 Waivers

Any waiver of any right or consent given under this Agreement is only effective if it is in writing and signed by the waiving or consenting party. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

16.3 Delay

No delay or failure to exercise any right or remedy under this Agreement shall operate as a waiver of that right or remedy.

16.4 Partial exercise

No single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of the same right or remedy or any other right or remedy under this Agreement.

16.5 Rights cumulative

Rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law or otherwise.

17. Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Agreement under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification as is necessary to give effect to the commercial intention of the parties.

18. Counterparts

18.1 This Agreement may be executed in any number of counterparts, and by the Parties on separate counterparts.

18.2 Where executed in counterpart:

- (a) this Agreement shall not take effect until all of the counterparts have been delivered;
- (b) each counterpart shall be held as undelivered until the Parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the Parties may choose to evidence the date of delivery of this Agreement by inserting the date at the top of the front page of this Agreement.
- (d) If this Agreement is not executed in counterparts, this Agreement shall be delivered on the date inserted at the top of the front page of this Agreement or, if no such date is inserted, the date on which the last Party executed this Agreement.

18.3 In accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the "Counterparts Act"), the Parties nominate the Senior Creditor's solicitors to take delivery of all the counterparts of this Agreement. The Parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to this Agreement.

19. Notices

19.1 Service

(a) Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by letter or email and sent:

(i) to the Senior Creditor at:

Address: United House, 9 Pembridge Road, London, W11 3JY

Electronic mail: as@unbrandedfinance.com;

Attention: Andrew Smith;

(ii) to the Junior Creditor at:

Address: 4th Floor, 68-70 George Street, Edinburgh EH2 2LR

Electronic mail: calum@souterinvestments.com

Attention: Calum Cusiter; and

(iii) to the Borrower at:

Address: Square and Crescent, 18 Walker Street, Edinburgh EH3 7LP

Electronic mail: simon@squareandcrescent.com

Attention: Simon Cook,

(b) Any Party may change its contact details by giving not less than five Business Days' notice to the other Parties.

19.2 Delivery

Any such communication made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Senior Creditor only if it is addressed in such a manner as the Senior Creditor shall specify for this purpose.

19.3 Electronic communication

Any electronic communication which becomes effective, in accordance with Clause 19.2 above, after 5.00pm in the place in which the Party to whom the relevant communication is sent or made available shall be deemed only to become effective on the following day.

20. Consent to registration

The Parties consent to the registration of Agreement for preservation and execution.

21. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Scots law.

22. Enforcement

22.1 Jurisdiction

(a) 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 or any non-contractual obligations arising out of or in connection with this Agreement) (a "Dispute").


(b) The parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.

- (c) This Clause 23.1 is for the benefit of the Senior Creditor only. As a result, the Senior Creditor shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Senior may take concurrent proceedings in any number of jurisdictions.

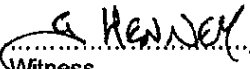
IN WITNESS WHEREOF these presents consisting of this and the 13 preceding pages and the Schedule annexed hereto are executed as follows and are delivered on the date of delivery inserted at the top of the first page of these presents:


BORROWER

SUBSCRIBED for and on behalf of the said
FINANCE DEVELOPMENT LLP by Square and
Crescent Group Ltd, a member and signed for
and on behalf of Square and Crescent Group Ltd
by Euan Marshall, a director


.....
Director, for and on behalf of Square and
Crescent Group Ltd
(signature)

Before this witness


.....
Witness
(print full name)


.....
Witness
(signature)

of 18 WALKER STREET, EDINBURGH
.....
(address of witness)

at EDINBURGH
.....
(town of signature)

on 30/04/21
.....
(date of signature)

JUNIOR CREDITOR

SUBSCRIBED for and on behalf of the said
SOUTER ORCHARD BRAE LIMITED by
acting by

.....
Authorised Signatory/Director
(print full name)

.....
Authorised Signatory/Director
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)

at
(town of signature)

on.....
(date of signature)

SENIOR CREDITOR

SUBSCRIBED for and on behalf of the said
UNBRANDED FINANCE LIMITED by
acting by

.....
Authorised Signatory/Director
(print full name)

.....
Authorised Signatory/Director
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)

at
(town of signature)

on.....
(date of signature)

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING RANKING AGREEMENT BETWEEN UNBRANDED FINANCE LIMITED, FINANCE DEVELOPMENT LLP AND SOUTER ORCHARD BRAE LIMITED

PART 1

Senior Debt Documents

Part 1A– Senior Lending Documents

The facility agreement (comprising a facility letter and standard conditions) dated 13 April 2021 between the Borrower and the Senior Creditor.

Part 1B – Senior Security Documents

Bond and floating charge dated on or around the date of this Agreement between the Borrower and the Senior Creditor.

The Senior Standard Security.

PART 2

Junior Debt Documents

Part 2A– Junior Lending Documents

Loan from the Junior Creditor to the Borrower pursuant to Clause 9 of the Members Agreement.

Part 2B – Junior Security Documents

The Junior Standard Security.





UNBRANDED

FINANCE

Ranking Agreement

between

UNBRANDED FINANCE LIMITED

as Senior Creditor

SOUTER ORCHARD BRAE LIMITED

as Junior Creditor

FINANCE DEVELOPMENT LLP

as Borrower

THE DATE OF DELIVERY OF THIS AGREEMENT IS 30 APRIL 2021

RANKING AGREEMENT

BETWEEN:

- (1) **UNBRANDED FINANCE LIMITED** a company registered in England and Wales with registration number 12387831 and whose registered office is at United House, 9 Pembridge Road, London, W11 3JY (the "Senior Creditor");
- (2) **SOUTER ORCHARD BRAE LIMITED** a company registered in Scotland with registration number SC667779 and whose registered office is at 4th Floor 68-70 George Street, Edinburgh EH2 2LR (the "Junior Creditor"); and
- (3) **FINANCE DEVELOPMENT LLP** a limited liability partnership registered in Scotland with registration number SO307098 and whose registered office is at 18 Walker Street, Edinburgh, EH3 7LP (the "Borrower").

BACKGROUND

- (A) The Senior Creditor has agreed to provide, or has provided, the Senior Debt to the Borrower and the Borrower has entered into, or will enter into, the Senior Security Documents to secure the Senior Debt.
- (B) The Junior Creditor has agreed to provide, or has provided, the Junior Debt to the Borrower and the Borrower has entered into, or will enter into, the Junior Security Documents to secure the Junior Debt.
- (C) The Senior Creditor and the Junior Creditor have agreed that the priority of the Senior Security Interests and the Junior Security Interests for the Senior Debt and the Junior Debt respectively shall be as set out in this Agreement.
- (D) The Borrower has agreed to enter into this Agreement to acknowledge its terms and to give certain undertakings to the Creditors.

IT IS HEREBY AGREED AND DECLARED as follows:

1. Definitions and Interpretation

1.1 Definitions

In this Agreement:

"**Agreement**" means this ranking agreement;

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

"**Creditors**" means the Senior Creditor and the Junior Creditor and "**Creditor**" means either of them;

"**Debt Document**" means any Junior Debt Document and any Senior Debt Document;

"Enforcement Date" means the Business Day following the date on which a Creditor receives written notice from the other Creditor that the other Creditor has taken action to:

- (a) demand repayment or payment of any of the Liabilities secured by the Security Interests constituted by any of its Security Documents; or
- (b) enforce any of those Security Interests; or
- (c) take possession of any asset subject to any of those Security Interests;

"Junior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Junior Creditor under the Junior Debt Documents which are secured by any Junior Security Interest;

"Junior Debt Document" means any document referred to in Part 2A of the Schedule (*Junior Lending Documents*) and any Junior Security Document;

"Junior Security Document" means the Junior Standard Security and any other document referred to in Part 2B of the Schedule (*Junior Security Documents*);

"Junior Security Interest" means any Security Interest in favour of the Junior Creditor created by a Junior Security Document;

"Junior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Junior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland under Title Number MID88215;

"Liabilities" means all present or future monies, debts, obligations or liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity;

"Material Adverse Effect" has the meaning given to that term in the Senior Debt Document;

"Members Agreement" has the meaning given to that term in the Senior Debt Document;

"Parties" means the parties to this Agreement (each being a "Party");

"Permitted Payment" has the meaning given to that term in the Senior Debt Document;

"Permitted Security" has the meaning given to that term in the Senior Debt Document;

"Property" means ALL and WHOLE the subjects known as and forming Finance House, Orchard Brae, Edinburgh, EH4 1PF being the whole subjects registered in the Land Register of Scotland under Title Number MID88215;

"Receiver" means an administrator, receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents;

"Schedule" means the schedule in two parts annexed as relative to this Agreement;

"Security Document" means any Senior Security Document and any Junior Security Document;

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

"Senior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Senior Creditor under the Senior Debt Documents which are secured by any Senior Security Interest;

"Senior Debt Document" any document referred to in Part 1A of the Schedule (*Senior Lending Documents*) and any Senior Security Document;

"Senior Security Document" means the Senior Standard Security and any document referred to in Part 1B of the Schedule (*Senior Security Documents*);

"Senior Security Interest" means any Security Interest in favour of the Senior Creditor created by a Senior Security Document; and

"Senior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Senior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland;

1.2 Construction

(a) Unless a contrary indication appears, and reference in this Agreement to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description;
- (ii) the **"Borrower"**, the **"Junior Creditor"**, the **"Senior Creditor"**, any party to this Agreement or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (iii) this **"Deed"** or any other agreement or instrument is a reference to this Agreement or that other agreement or instrument as amended, novated, supplemented, extended or restated;
- (iv) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (v) a provision of law is a reference to that provision as amended or re-enacted and includes any subordinate legislation;
- (vi) the **"Senior Debt"** or the **"Junior Debt"** include any part of such respective debt; and
- (vii) words in the singular include the plural and vice versa and words in one gender include any other gender.

(b) Clause and Schedule headings are for ease of reference only.

1.3 Third party rights

A person who is not a party to this Agreement has no right under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or to enjoy the benefit of any term of this Agreement.

1.4 Clawback

If the Senior Creditor considers that an amount paid in respect of the Senior Debt is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

2. Ranking and priority

2.1 Senior Creditor consent

The Senior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Junior Debt and the Junior Security Interests; and
- (b) confirms that the creation or subsistence of the Junior Security Interests does not constitute a default by the Borrower under any of the Senior Debt Documents.

2.2 Junior Creditor consent

The Junior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Senior Debt and the Senior Security Interests; and
- (b) confirms that the creation or subsistence of the Senior Security Interests does not constitute a default by the Borrower under any of the Junior Debt Documents.

2.3 Ranking

Each Creditor and the Borrower agree that:

- (a) the Senior Security Interests rank and shall rank, to the extent of the Senior Debt, in priority to the Junior Security Interests; and
- (b) the Junior Security Interests are and shall be postponed to, and rank after, the Senior Security Interests.

2.4 Waiver of defences

Nothing in this Agreement shall affect the status of the Security Documents as continuing security, nor shall the ranking of the Security Interests specified in Clause 2.3 (*Ranking*) be affected by any act, omission, transaction, limitation, matter, thing or circumstance whatever which but for this provision might operate to affect the relative ranking and priorities of the Security Interests constituted by the Security Documents, including, but not limited to:

- (a) the nature of the various Security Interests constituted by the Security Documents and the order of their execution or registration; or
- (b) any provision contained in any of the Security Documents; or
- (c) the respective date (or dates) on which any person received notice of the existence or creation of any Security Interest constituted by any Security Document; or

- (d) the respective date (or dates) on which monies may be, or have been, advanced or become owing or payable under a Debt Document or secured under a Security Document; or
- (e) any fluctuation from time to time in the amount of Liabilities secured by a Security Document (which shall be continuing security in favour of the respective Creditors) and in particular, but not limited to, any reduction to nil of the Liabilities so secured; or
- (f) the existence at any time of a credit balance on any current or other account of the Borrower; or
- (g) the appointment of any liquidator, Receiver, administrator or other similar officer either in respect of the Borrower or over all or any part of the Borrower's assets;
- (h) the provisions of Section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970 or of Sections 464 and 466 of Companies Act 1985 or any other rule of law which might operate to the contrary; or
- (i) any amendment or supplement to or variation of any Debt Document.

2.5 Invalidity of security

If all or any of the Senior Security Interests or Junior Security Interests:

- (a) are released; or
- (b) are or become wholly or partly invalid or unenforceable,

the Senior Creditor or Junior Creditor (respectively) shall bear the resulting loss and shall not be entitled to share in monies derived from assets over which it has no effective security.

2.6 No challenge to security

Neither Creditor shall challenge or question:

- (a) the validity or enforceability of any Security Interest constituted by a Security Document; or
- (b) the nature of any Security Interest constituted by a Security Document; or
- (c) without prejudice to the generality of the foregoing, whether any Security Interest constituted by a Security Document is fixed or floating.

3. Company undertakings

The Borrower undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) create, or allow to subsist, any Security Interest (other than a Permitted Security) over any of its assets, or any guarantee, for or in respect of any of the Junior Debt or in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or

- (c) subject to clause 7, pay, repay or make any distribution in respect of any of the Junior Debt in cash or in kind other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement; or
- (d) buy or acquire any of the Junior Debt; or
- (e) exercise any right of set-off against the Junior Debt; or
- (f) make a loan or provide credit to the Junior Creditor; or
- (g) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4. Junior Creditor undertakings

4.1 No other security

The Junior Creditor undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) take, or allow to exist, any Security Interest (other than a Junior Security Interest), or any guarantee, from the Borrower for or in respect of any of the Junior Debt or from the Borrower in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or
- (c) subject to clause 7, demand, take, accept or receive any payment or distribution in respect or on account of the Junior Debt in cash or in kind, or apply any money or property in discharge of the Junior Debt other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement;
- (d) exercise any right of set-off against the Junior Debt; or
- (e) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4.2 No other arrangements

The Junior Creditor shall not make any arrangement which would place, or which aims to place, the Junior Creditor in a position similar to that in which it would be if:

- (a) it had received a payment in respect of the Junior Debt; or
- (b) the Junior Debt had been secured by a Security Interest (other than the Junior Security Interests).

5. Preservation of rights

5.1 Rights and remedies not prejudiced

Nothing in this Agreement shall as between the Borrower and a Creditor affect or prejudice any rights or remedies of a Creditor under its Security Documents.

5.2 No waiver

No delay in exercising rights and remedies in respect of the Senior Debt or the Junior Debt because of any term of this Agreement postponing, restricting or preventing such exercise shall operate as a waiver of any of those rights and remedies.

5.3 Insurance

The Senior Creditor may require the Borrower to insure its assets and, prior to the Enforcement Date, apply any monies received or recovered in respect of any claim under any relevant insurance policy in accordance with the terms of the Senior Debt Documents or such other insurance provisions in the Debt Documents as the Senior Creditor may select. The Creditors acknowledge that the Borrower's compliance with the insurance obligations so selected shall be a full discharge by the Borrower of its insurance obligations under the Debt Documents.

5.4 Title documents

The Senior Creditor shall be entitled, but not obliged, to hold each title or other document relating to any asset subject to a Senior Security Interest.

6. Senior Debt enforcement

6.1 Senior Debt enforcement events

If reasonably practicable, the Senior Creditor shall notify the Junior Creditor before:

- (a) it serves a demand for payment of the Senior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) it serves a notice on the Borrower to the effect that the Senior Debt is immediately due and payable; or
- (c) it takes any step to crystallise any floating charge contained in any Senior Security Document; or
- (d) it takes any step to enforce any Senior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) it presents, or joins in, a petition for an administration or winding-up order to be made in relation to the Borrower, or appoints or takes any other step for the appointment of an administrator of the Borrower; or
- (f) it initiates, supports or takes, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower; or
- (g) a Receiver appointed by it sells, leases or disposes of an asset subject to any Senior Security Interest or grants an interest in, or right in respect of, such an asset.

6.2 Notification of action taken

As soon as reasonably practicable after taking any action in accordance with Clause 6.1 (*Senior debt enforcement events*), the Senior Creditor shall inform the Junior Creditor of the action taken and, if a Receiver has been appointed, consult with the Junior Creditor with a view to that Receiver's appointment continuing or, if that is not agreed, to the appointment of others to act jointly with him.

6.3 Failure to consult

No action taken by the Senior Creditor shall be invalid or ineffective because of the failure to notify with the Junior Creditor in accordance with Clause 6.1 (*Senior Debt enforcement events*).

6.4 Marshalling

The Junior Creditor waives any right it has, or may have in the future, to marshalling in respect of any Senior Security Interest.

6.5 Co-operation by Junior Creditor

The Junior Creditor will, at the request of the Senior Creditor or any Receiver or administrator appointed by the Senior Creditor, join in such documents and give such releases or consents to dealing or otherwise take such action in respect of the Junior Security Documents as may be reasonably required by the Senior Creditor or such Receiver or administrator to facilitate the disposal of any asset subject to a Senior Security Interest free from the Security Interests created under Junior Security Documents whether or not there will be any balance of proceeds available for the Junior Creditor arising from that disposal.

7. Junior Debt enforcement

7.1 Junior Debt enforcement events

7.1.1 Except with the prior written consent of the Senior Creditor, the Junior Creditor shall not:

- (a) serve a demand for payment of the Junior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) serve a notice on the Borrower to the effect that the Junior Debt is immediately due and payable; or
- (c) take any step to crystallise any floating charge contained in any Junior Security Document; or
- (d) take any step to enforce any Junior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) present, or join in, a petition for an administration or winding-up order to be made in relation to the Borrower or appoint or takes any step for the appointment of an administrator of the Borrower; or
- (f) initiate, support or take, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower.

7.1.2 Notwithstanding clause 7.1.1, the Junior Creditor is entitled to take any of the steps set out at clause 7.1.1(a) - 7.1.1(f) (inclusive) where the Senior Creditor has taken equivalent steps in respect of the Borrower.

7.2 Senior Creditor directions to Junior Creditor

The Junior Creditor shall comply with any directions given by the Senior Creditor relating to taking any of the following actions:

- (a) presenting a petition for an administration or winding-up order to be made in relation to the Borrower; or
- (b) joining in, or opposing, such a petition; or
- (c) voting for or against, or accepting or rejecting:
 - (i) any proposal in a voluntary arrangement or administration in relation to the Borrower or in its winding-up; or
 - (ii) any scheme of arrangement proposed in relation to the Borrower; or
 - (iii) any rescheduling, refinancing or reorganisation agreement or moratorium in respect of any debts of the Borrower.

8. Application of proceeds

8.1 Order of distribution

The priority of the Creditors shall stand (regardless of the order of execution, registration or giving of notice or otherwise) so that all proceeds of enforcement or realisation of all or any of the Security Interests constituted by any of the Security Documents shall, after providing for all reasonable outgoings, costs, charges, expenses and liabilities of enforcement, exercising rights on winding-up and payments ranking in priority as a matter of law, be applied in the following order of priority:

- (a) first, in or towards the discharge of the Senior Debt;
- (b) second, once the Senior Debt has been fully discharged, in or towards discharge of the Junior Debt; and
- (c) third, after the Junior Debt has been fully discharged, to the Borrower or any other person entitled to it.

8.2 Preferential debts

The Junior Creditor shall bring into account any preferential payments under section 386 of, and Schedule 6 to, the Insolvency Act 1986 received by it.

8.3 Purchaser protection

No purchaser dealing with a Creditor or any Receiver shall be concerned in any way with the provisions of this Agreement but shall assume that the Creditor or Receiver, as the case may be, is acting in accordance with the provisions of this Agreement.

9. Expenses

9.1 Negotiation and amendment costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable and pre-agreed costs and expenses reasonably incurred by that Creditor in connection with:

- (a) the negotiation, preparation, execution and perfection of this Agreement; and

- (b) any amendment, extension, waiver, consent or suspension of rights relating to this Agreement.

9.2 Enforcement costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable costs and expenses reasonably incurred by that Creditor in connection with enforcing or preserving any rights under the provisions of this Agreement.

10. Duration

10.1 Duration

This Agreement shall cease to have effect when the Senior Debt has, to the satisfaction of the Senior Creditor, been irrevocably and unconditionally paid and discharged in full.

11. Restrictions on assignment and transfers

11.1 Junior Creditor

The Junior Creditor shall not assign or transfer any of its rights or benefits under this Agreement or any Junior Debt Document without first requiring the assignee or transferee to execute and deliver to the Senior Creditor a deed (in a form satisfactory to the Senior Creditor) in which the assignee or transferee agrees to be bound by the terms of this Agreement.

11.2 Senior Creditor

The Senior Creditor shall be entitled to assign or transfer any of its rights and benefits under this Agreement to any person to whom all or a corresponding part of its rights and benefits and, where applicable, obligations under any Senior Debt Document are assigned or transferred in accordance with the provisions of the relevant Senior Debt Document.

12. Refinancing of Senior Debt

The Junior Creditor agrees that:

- (a) the Senior Debt may be refinanced at any time by any person, whether or not that person is the Senior Creditor (and, if not the Senior Creditor, a bank or banks of international repute and creditworthiness); and
- (b) the new debt shall rank with the priority specified, and be secured in the manner agreed, in this Agreement.

13. Acknowledgements of the Borrower

13.1 Company's acknowledgement and consent

The Borrower acknowledges the terms of this Agreement and consents to the Creditors communicating with each other about the Borrower's affairs for the purposes of this Agreement.

13.2 No reliance by Company

The Borrower further acknowledges that none of the provisions entered into by the Creditors in this Agreement are for the benefit of the Borrower, nor may they be enforced or relied on by the Borrower.

14. Endorsement on Security Documents

Each Creditor agrees to endorse a memorandum of this Agreement on each Security Document entered into or to be entered into in its favour, and acknowledges the right of the other Creditor to the production and delivery of a copy of any such Security Document as soon as is reasonably practicable.

15. Variation and Alteration

The Senior Security Documents and the Junior Security Documents are varied to the extent specified in this Agreement and this Agreement shall be construed and receive 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.

16. Remedies, waivers, amendments and consents

16.1 Amendments

Any amendment to this Agreement shall be in writing and signed by, or on behalf of, each party, except that:

- (a) the Senior Creditor does not need the Junior Creditor's consent to an amendment to this Agreement (and the Junior Creditor need not be party to any amendment document) that only alters the Borrower's obligations to the Senior Creditor and the corresponding rights of the Senior Creditor; and
- (b) neither Creditor needs the Borrower's consent to an amendment to this Agreement (and the Borrower need not be party to any amendment document) that only alters the obligations of one Creditor to the other Creditor and the corresponding rights of that other Creditor.

16.2 Waivers

Any waiver of any right or consent given under this Agreement is only effective if it is in writing and signed by the waiving or consenting party. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

16.3 Delay

No delay or failure to exercise any right or remedy under this Agreement shall operate as a waiver of that right or remedy.

16.4 Partial exercise

No single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of the same right or remedy or any other right or remedy under this Agreement.

16.5 Rights cumulative

Rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law or otherwise.

17. Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Agreement under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification as is necessary to give effect to the commercial intention of the parties.

18. Counterparts

18.1 This Agreement may be executed in any number of counterparts, and by the Parties on separate counterparts.

18.2 Where executed in counterpart:

- (a) this Agreement shall not take effect until all of the counterparts have been delivered;
- (b) each counterpart shall be held as undelivered until the Parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the Parties may choose to evidence the date of delivery of this Agreement by inserting the date at the top of the front page of this Agreement.
- (d) If this Agreement is not executed in counterparts, this Agreement shall be delivered on the date inserted at the top of the front page of this Agreement or, if no such date is inserted, the date on which the last Party executed this Agreement.

18.3 In accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the "Counterparts Act"), the Parties nominate the Senior Creditor's solicitors to take delivery of all the counterparts of this Agreement. The Parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to this Agreement.

19. Notices

19.1 Service

(a) Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by letter or email and sent:

(i) to the Senior Creditor at:

Address: United House, 9 Pembridge Road, London, W11 3JY

Electronic mail: as@unbrandedfinance.com;

Attention: Andrew Smith;

(ii) to the Junior Creditor at:

Address: 4th Floor, 68-70 George Street, Edinburgh EH2 2LR

Electronic mail: calum@souterinvestments.com

Attention: Calum Cusiter; and

(iii) to the Borrower at:

Address: Square and Crescent, 18 Walker Street, Edinburgh EH3 7LP

Electronic mail: simon@squareandcrescent.com

Attention: Simon Cook,

(b) Any Party may change its contact details by giving not less than five Business Days' notice to the other Parties.

19.2 Delivery

Any such communication made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Senior Creditor only if it is addressed in such a manner as the Senior Creditor shall specify for this purpose.

19.3 Electronic communication

Any electronic communication which becomes effective, in accordance with Clause 19.2 above, after 5.00pm in the place in which the Party to whom the relevant communication is sent or made available shall be deemed only to become effective on the following day.

20. Consent to registration

The Parties consent to the registration of Agreement for preservation and execution.

21. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Scots law.

22. Enforcement

22.1 Jurisdiction

(a) 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 or any non-contractual obligations arising out of or in connection with this Agreement) (a "Dispute").

(b) The parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.

- (c) This Clause 23.1 is for the benefit of the Senior Creditor only. As a result, the Senior Creditor shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Senior may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF these presents consisting of this and the 13 preceding pages and the Schedule annexed hereto are executed as follows and are delivered on the date of delivery inserted at the top of the first page of these presents:

BORROWER

SUBSCRIBED for and on behalf of the said
FINANCE DEVELOPMENT LLP by Square and
Crescent Group Ltd, a member and signed for
and on behalf of Square and Crescent Group Ltd
by Euan Marshall, a director

.....
Director, for and on behalf of Square and
Crescent Group Ltd
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)

at
(town of signature)

on.....
(date of signature)

JUNIOR CREDITOR

SUBSCRIBED for and on behalf of the said
SOUTER ORCHARD BRAE LIMITED by
acting by

.....
Authorised Signatory/Director
(print full name)

.....
Authorised Signatory/Director
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of ..16 CHALMERS SQUARE, LONDON W14 4PF
(address of witness)

at ..LONDON
(town of signature)

on ..29 APRIL 1971
(date of signature)

SENIOR CREDITOR

SUBSCRIBED for and on behalf of the said
UNBRANDED FINANCE LIMITED by
acting by

.....
Authorised Signatory/Director
(print full name)

.....
Authorised Signatory/Director
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)

at
(town of signature)

on
(date of signature)

[REDACTED]

[REDACTED]

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING RANKING AGREEMENT BETWEEN UNBRANDED FINANCE LIMITED, FINANCE DEVELOPMENT LLP AND SOUTER ORCHARD BRAE LIMITED

PART 1

Senior Debt Documents

Part 1A– Senior Lending Documents

The facility agreement (comprising a facility letter and standard conditions) dated 13 April 2021 between the Borrower and the Senior Creditor.

Part 1B – Senior Security Documents

Bond and floating charge dated on or around the date of this Agreement between the Borrower and the Senior Creditor.

The Senior Standard Security.

PART 2

Junior Debt Documents

Part 2A– Junior Lending Documents

Loan from the Junior Creditor to the Borrower pursuant to Clause 9 of the Members Agreement.

Part 2B – Junior Security Documents

The Junior Standard Security.





UNBRANDED
FINANCE

Ranking Agreement

between

UNBRANDED FINANCE LIMITED

as Senior Creditor

SOUTER ORCHARD BRAE LIMITED

as Junior Creditor

FINANCE DEVELOPMENT LLP

as Borrower

THE DATE OF DELIVERY OF THIS AGREEMENT IS 30 APRIL 2021

RANKING AGREEMENT

BETWEEN:

- (1) **UNBRANDED FINANCE LIMITED** a company registered in England and Wales with registration number 12387831 and whose registered office is at United House, 9 Pembridge Road, London, W11 3JY (the "Senior Creditor");
- (2) **SOUTER ORCHARD BRAE LIMITED** a company registered in Scotland with registration number SC667779 and whose registered office is at 4th Floor 68-70 George Street, Edinburgh EH2 2LR (the "Junior Creditor"); and
- (3) **FINANCE DEVELOPMENT LLP** a limited liability partnership registered in Scotland with registration number SO307098 and whose registered office is at 18 Walker Street, Edinburgh, EH3 7LP (the "Borrower").

BACKGROUND

- (A) The Senior Creditor has agreed to provide, or has provided, the Senior Debt to the Borrower and the Borrower has entered into, or will enter into, the Senior Security Documents to secure the Senior Debt.
- (B) The Junior Creditor has agreed to provide, or has provided, the Junior Debt to the Borrower and the Borrower has entered into, or will enter into, the Junior Security Documents to secure the Junior Debt.
- (C) The Senior Creditor and the Junior Creditor have agreed that the priority of the Senior Security Interests and the Junior Security Interests for the Senior Debt and the Junior Debt respectively shall be as set out in this Agreement.
- (D) The Borrower has agreed to enter into this Agreement to acknowledge its terms and to give certain undertakings to the Creditors.

IT IS HEREBY AGREED AND DECLARED as follows:

1. Definitions and Interpretation

1.1 Definitions

In this Agreement:

"Agreement" means this ranking agreement;

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London and Scotland;

"Creditors" means the Senior Creditor and the Junior Creditor and "Creditor" means either of them;

"Debt Document" means any Junior Debt Document and any Senior Debt Document;

"Enforcement Date" means the Business Day following the date on which a Creditor receives written notice from the other Creditor that the other Creditor has taken action to:

- (a) demand repayment or payment of any of the Liabilities secured by the Security Interests constituted by any of its Security Documents; or
- (b) enforce any of those Security Interests; or
- (c) take possession of any asset subject to any of those Security Interests;

"Junior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Junior Creditor under the Junior Debt Documents which are secured by any Junior Security Interest;

"Junior Debt Document" means any document referred to in Part 2A of the Schedule (*Junior Lending Documents*) and any Junior Security Document;

"Junior Security Document" means the Junior Standard Security and any other document referred to in Part 2B of the Schedule (*Junior Security Documents*);

"Junior Security Interest" means any Security Interest in favour of the Junior Creditor created by a Junior Security Document;

"Junior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Junior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland under Title Number MID88215;

"Liabilities" means all present or future monies, debts, obligations or liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity;

"Material Adverse Effect" has the meaning given to that term in the Senior Debt Document;

"Members Agreement" has the meaning given to that term in the Senior Debt Document;

"Parties" means the parties to this Agreement (each being a "Party");

"Permitted Payment" has the meaning given to that term in the Senior Debt Document;

"Permitted Security" has the meaning given to that term in the Senior Debt Document;

"Property" means ALL and WHOLE the subjects known as and forming Finance House, Orchard Brae, Edinburgh, EH4 1PF being the whole subjects registered in the Land Register of Scotland under Title Number MID88215;

"Receiver" means an administrator, receiver, receiver and manager or administrative receiver appointed by either Creditor pursuant to the provisions of its Security Documents;

"Schedule" means the schedule in two parts annexed as relative to this Agreement;

"Security Document" means any Senior Security Document and any Junior Security Document;

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

"Senior Debt" means all Liabilities which are now or may become payable or owing by the Borrower to the Senior Creditor under the Senior Debt Documents which are secured by any Senior Security Interest;

"Senior Debt Document" any document referred to in Part 1A of the Schedule (*Senior Lending Documents*) and any Senior Security Document;

"Senior Security Document" means the Senior Standard Security and any document referred to in Part 1B of the Schedule (*Senior Security Documents*);

"Senior Security Interest" means any Security Interest in favour of the Senior Creditor created by a Senior Security Document; and

"Senior Standard Security" means the standard security granted or to be granted by the Borrower in favour of the Senior Creditor over the Property on or around the date of this Agreement and to be registered in the Land Register of Scotland;

1.2 Construction

(a) Unless a contrary indication appears, and reference in this Agreement to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description;
- (ii) the **"Borrower"**, the **"Junior Creditor"**, the **"Senior Creditor"**, any party to this Agreement or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (iii) this **"Deed"** or any other agreement or instrument is a reference to this Agreement or that other agreement or instrument as amended, novated, supplemented, extended or restated;
- (iv) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (v) a provision of law is a reference to that provision as amended or re-enacted and includes any subordinate legislation;
- (vi) the **"Senior Debt"** or the **"Junior Debt"** include any part of such respective debt; and
- (vii) words in the singular include the plural and vice versa and words in one gender include any other gender.

(b) Clause and Schedule headings are for ease of reference only.

1.3 Third party rights

A person who is not a party to this Agreement has no right under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or to enjoy the benefit of any term of this Agreement.

1.4 Clawback

If the Senior Creditor considers that an amount paid in respect of the Senior Debt is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

2. Ranking and priority

2.1 Senior Creditor consent

The Senior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Junior Debt and the Junior Security Interests; and
- (b) confirms that the creation or subsistence of the Junior Security Interests does not constitute a default by the Borrower under any of the Senior Debt Documents.

2.2 Junior Creditor consent

The Junior Creditor:

- (a) consents to the creation or subsistence (as appropriate) of the Senior Debt and the Senior Security Interests; and
- (b) confirms that the creation or subsistence of the Senior Security Interests does not constitute a default by the Borrower under any of the Junior Debt Documents.

2.3 Ranking

Each Creditor and the Borrower agree that:

- (a) the Senior Security Interests rank and shall rank, to the extent of the Senior Debt, in priority to the Junior Security Interests; and
- (b) the Junior Security Interests are and shall be postponed to, and rank after, the Senior Security Interests.

2.4 Waiver of defences

Nothing in this Agreement shall affect the status of the Security Documents as continuing security, nor shall the ranking of the Security Interests specified in Clause 2.3 (*Ranking*) be affected by any act, omission, transaction, limitation, matter, thing or circumstance whatever which but for this provision might operate to affect the relative ranking and priorities of the Security Interests constituted by the Security Documents, including, but not limited to:

- (a) the nature of the various Security Interests constituted by the Security Documents and the order of their execution or registration; or
- (b) any provision contained in any of the Security Documents; or
- (c) the respective date (or dates) on which any person received notice of the existence or creation of any Security Interest constituted by any Security Document; or

- (d) the respective date (or dates) on which monies may be, or have been, advanced or become owing or payable under a Debt Document or secured under a Security Document; or
- (e) any fluctuation from time to time in the amount of Liabilities secured by a Security Document (which shall be continuing security in favour of the respective Creditors) and in particular, but not limited to, any reduction to nil of the Liabilities so secured; or
- (f) the existence at any time of a credit balance on any current or other account of the Borrower; or
- (g) the appointment of any liquidator, Receiver, administrator or other similar officer either in respect of the Borrower or over all or any part of the Borrower's assets;
- (h) the provisions of Section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970 or of Sections 464 and 466 of Companies Act 1985 or any other rule of law which might operate to the contrary; or
- (i) any amendment or supplement to or variation of any Debt Document.

2.5 Invalidity of security

If all or any of the Senior Security Interests or Junior Security Interests:

- (a) are released; or
- (b) are or become wholly or partly invalid or unenforceable,

the Senior Creditor or Junior Creditor (respectively) shall bear the resulting loss and shall not be entitled to share in monies derived from assets over which it has no effective security.

2.6 No challenge to security

Neither Creditor shall challenge or question:

- (a) the validity or enforceability of any Security Interest constituted by a Security Document; or
- (b) the nature of any Security Interest constituted by a Security Document; or
- (c) without prejudice to the generality of the foregoing, whether any Security Interest constituted by a Security Document is fixed or floating.

3. Company undertakings

The Borrower undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) create, or allow to subsist, any Security Interest (other than a Permitted Security) over any of its assets, or any guarantee, for or in respect of any of the Junior Debt or in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or

- (c) subject to clause 7, pay, repay or make any distribution in respect of any of the Junior Debt in cash or in kind other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement; or
- (d) buy or acquire any of the Junior Debt; or
- (e) exercise any right of set-off against the Junior Debt; or
- (f) make a loan or provide credit to the Junior Creditor; or
- (g) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4. Junior Creditor undertakings

4.1 No other security

The Junior Creditor undertakes to the Senior Creditor that, so long as the Senior Debt is outstanding, it shall not without the prior written consent of the Senior Creditor:

- (a) take, or allow to exist, any Security Interest (other than a Junior Security Interest), or any guarantee, from the Borrower for or in respect of any of the Junior Debt or from the Borrower in respect of a loan or credit provided to the Junior Creditor by another person; or
- (b) take, or omit to take, any action which may impair the ranking set out in this Agreement; or
- (c) subject to clause 7, demand, take, accept or receive any payment or distribution in respect or on account of the Junior Debt in cash or in kind, or apply any money or property in discharge of the Junior Debt other than a Permitted Payment and payments of the costs referred to in clauses 12.3 and 12.4 of the Members Agreement;
- (d) exercise any right of set-off against the Junior Debt; or
- (e) vary, modify or amend any Junior Debt Document in a manner which might have a Material Adverse Effect.

4.2 No other arrangements

The Junior Creditor shall not make any arrangement which would place, or which aims to place, the Junior Creditor in a position similar to that in which it would be if:

- (a) It had received a payment in respect of the Junior Debt; or
- (b) the Junior Debt had been secured by a Security Interest (other than the Junior Security Interests).

5. Preservation of rights

5.1 Rights and remedies not prejudiced

Nothing in this Agreement shall as between the Borrower and a Creditor affect or prejudice any rights or remedies of a Creditor under its Security Documents.

5.2 No waiver

No delay in exercising rights and remedies in respect of the Senior Debt or the Junior Debt because of any term of this Agreement postponing, restricting or preventing such exercise shall operate as a waiver of any of those rights and remedies.

5.3 Insurance

The Senior Creditor may require the Borrower to insure its assets and, prior to the Enforcement Date, apply any monies received or recovered in respect of any claim under any relevant insurance policy in accordance with the terms of the Senior Debt Documents or such other insurance provisions in the Debt Documents as the Senior Creditor may select. The Creditors acknowledge that the Borrower's compliance with the insurance obligations so selected shall be a full discharge by the Borrower of its insurance obligations under the Debt Documents.

5.4 Title documents

The Senior Creditor shall be entitled, but not obliged, to hold each title or other document relating to any asset subject to a Senior Security Interest.

6. Senior Debt enforcement

6.1 Senior Debt enforcement events

If reasonably practicable, the Senior Creditor shall notify the Junior Creditor before:

- (a) It serves a demand for payment of the Senior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) it serves a notice on the Borrower to the effect that the Senior Debt is immediately due and payable; or
- (c) it takes any step to crystallise any floating charge contained in any Senior Security Document; or
- (d) it takes any step to enforce any Senior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) It presents, or joins in, a petition for an administration or winding-up order to be made in relation to the Borrower, or appoints or takes any other step for the appointment of an administrator of the Borrower; or
- (f) It initiates, supports or takes, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower; or
- (g) a Receiver appointed by it sells, leases or disposes of an asset subject to any Senior Security Interest or grants an interest in, or right in respect of, such an asset.

6.2 Notification of action taken

As soon as reasonably practicable after taking any action in accordance with Clause 6.1 (*Senior debt enforcement events*), the Senior Creditor shall inform the Junior Creditor of the action taken and, if a Receiver has been appointed, consult with the Junior Creditor with a view to that Receiver's appointment continuing or, if that is not agreed, to the appointment of others to act jointly with him.

6.3 Failure to consult

No action taken by the Senior Creditor shall be invalid or ineffective because of the failure to notify with the Junior Creditor in accordance with Clause 6.1 (*Senior Debt enforcement events*).

6.4 Marshalling

The Junior Creditor waives any right it has, or may have in the future, to marshalling in respect of any Senior Security Interest.

6.5 Co-operation by Junior Creditor

The Junior Creditor will, at the request of the Senior Creditor or any Receiver or administrator appointed by the Senior Creditor, join in such documents and give such releases or consents to dealing or otherwise take such action in respect of the Junior Security Documents as may be reasonably required by the Senior Creditor or such Receiver or administrator to facilitate the disposal of any asset subject to a Senior Security Interest free from the Security Interests created under Junior Security Documents whether or not there will be any balance of proceeds available for the Junior Creditor arising from that disposal.

7. Junior Debt enforcement

7.1 Junior Debt enforcement events

7.1.1 Except with the prior written consent of the Senior Creditor, the Junior Creditor shall not:

- (a) serve a demand for payment of the Junior Debt on the Borrower (other than a demand for payment on the due date); or
- (b) serve a notice on the Borrower to the effect that the Junior Debt is immediately due and payable; or
- (c) take any step to crystallise any floating charge contained in any Junior Security Document; or
- (d) take any step to enforce any Junior Security Interest, whether by appointing a Receiver, exercising its power of sale or otherwise; or
- (e) present, or join in, a petition for an administration or winding-up order to be made in relation to the Borrower or appoint or takes any step for the appointment of an administrator of the Borrower; or
- (f) initiate, support or take, any step with a view to any voluntary arrangement or assignment for the benefit of creditors or similar proceeding involving the Borrower.

7.1.2 Notwithstanding clause 7.1.1, the Junior Creditor is entitled to take any of the steps set out at clause 7.1.1(a) - 7.1.1(f) (inclusive) where the Senior Creditor has taken equivalent steps in respect of the Borrower.

7.2 Senior Creditor directions to Junior Creditor

The Junior Creditor shall comply with any directions given by the Senior Creditor relating to taking any of the following actions:

- (a) presenting a petition for an administration or winding-up order to be made in relation to the Borrower; or
- (b) joining in, or opposing, such a petition; or
- (c) voting for or against, or accepting or rejecting:
 - (i) any proposal in a voluntary arrangement or administration in relation to the Borrower or in its winding-up; or
 - (ii) any scheme of arrangement proposed in relation to the Borrower; or
 - (iii) any rescheduling, refinancing or reorganisation agreement or moratorium in respect of any debts of the Borrower.

8. Application of proceeds

8.1 Order of distribution

The priority of the Creditors shall stand (regardless of the order of execution, registration or giving of notice or otherwise) so that all proceeds of enforcement or realisation of all or any of the Security Interests constituted by any of the Security Documents shall, after providing for all reasonable outgoings, costs, charges, expenses and liabilities of enforcement, exercising rights on winding-up and payments ranking in priority as a matter of law, be applied in the following order of priority:

- (a) first, in or towards the discharge of the Senior Debt;
- (b) second, once the Senior Debt has been fully discharged, in or towards discharge of the Junior Debt; and
- (c) third, after the Junior Debt has been fully discharged, to the Borrower or any other person entitled to it.

8.2 Preferential debts

The Junior Creditor shall bring into account any preferential payments under section 386 of, and Schedule 6 to, the Insolvency Act 1986 received by it.

8.3 Purchaser protection

No purchaser dealing with a Creditor or any Receiver shall be concerned in any way with the provisions of this Agreement but shall assume that the Creditor or Receiver, as the case may be, is acting in accordance with the provisions of this Agreement.

9. Expenses

9.1 Negotiation and amendment costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable and pre-agreed costs and expenses reasonably incurred by that Creditor in connection with:

- (a) the negotiation, preparation, execution and perfection of this Agreement; and

- (b) any amendment, extension, waiver, consent or suspension of rights relating to this Agreement.

9.2 Enforcement costs and expenses

The Borrower shall, promptly on demand, pay to each Creditor the amount of all reasonable costs and expenses reasonably incurred by that Creditor in connection with enforcing or preserving any rights under the provisions of this Agreement.

10. Duration

10.1 Duration

This Agreement shall cease to have effect when the Senior Debt has, to the satisfaction of the Senior Creditor, been irrevocably and unconditionally paid and discharged in full.

11. Restrictions on assignment and transfers

11.1 Junior Creditor

The Junior Creditor shall not assign or transfer any of its rights or benefits under this Agreement or any Junior Debt Document without first requiring the assignee or transferee to execute and deliver to the Senior Creditor a deed (in a form satisfactory to the Senior Creditor) in which the assignee or transferee agrees to be bound by the terms of this Agreement.

11.2 Senior Creditor

The Senior Creditor shall be entitled to assign or transfer any of its rights and benefits under this Agreement to any person to whom all or a corresponding part of its rights and benefits and, where applicable, obligations under any Senior Debt Document are assigned or transferred in accordance with the provisions of the relevant Senior Debt Document.

12. Refinancing of Senior Debt

The Junior Creditor agrees that:

- (a) the Senior Debt may be refinanced at any time by any person, whether or not that person is the Senior Creditor (and, if not the Senior Creditor, a bank or banks of international repute and creditworthiness); and
- (b) the new debt shall rank with the priority specified, and be secured in the manner agreed, in this Agreement.

13. Acknowledgements of the Borrower

13.1 Company's acknowledgement and consent

The Borrower acknowledges the terms of this Agreement and consents to the Creditors communicating with each other about the Borrower's affairs for the purposes of this Agreement.

13.2 No reliance by Company

The Borrower further acknowledges that none of the provisions entered into by the Creditors in this Agreement are for the benefit of the Borrower, nor may they be enforced or relied on by the Borrower.

14. Endorsement on Security Documents

Each Creditor agrees to endorse a memorandum of this Agreement on each Security Document entered into or to be entered into in its favour, and acknowledges the right of the other Creditor to the production and delivery of a copy of any such Security Document as soon as is reasonably practicable.

15. Variation and Alteration

The Senior Security Documents and the Junior Security Documents are varied to the extent specified in this Agreement and this Agreement shall be construed and receive 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.

16. Remedies, waivers, amendments and consents

16.1 Amendments

Any amendment to this Agreement shall be in writing and signed by, or on behalf of, each party, except that:

- (a) the Senior Creditor does not need the Junior Creditor's consent to an amendment to this Agreement (and the Junior Creditor need not be party to any amendment document) that only alters the Borrower's obligations to the Senior Creditor and the corresponding rights of the Senior Creditor; and
- (b) neither Creditor needs the Borrower's consent to an amendment to this Agreement (and the Borrower need not be party to any amendment document) that only alters the obligations of one Creditor to the other Creditor and the corresponding rights of that other Creditor.

16.2 Waivers

Any waiver of any right or consent given under this Agreement is only effective if it is in writing and signed by the waiving or consenting party. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

16.3 Delay

No delay or failure to exercise any right or remedy under this Agreement shall operate as a waiver of that right or remedy.

16.4 Partial exercise

No single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of the same right or remedy or any other right or remedy under this Agreement.

16.5 Rights cumulative

Rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law or otherwise.

17. Partial Invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Agreement under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification as is necessary to give effect to the commercial intention of the parties.

18. Counterparts

18.1 This Agreement may be executed in any number of counterparts, and by the Parties on separate counterparts.

18.2 Where executed in counterpart:

- (a) this Agreement shall not take effect until all of the counterparts have been delivered;
- (b) each counterpart shall be held as undelivered until the Parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the Parties may choose to evidence the date of delivery of this Agreement by inserting the date at the top of the front page of this Agreement.
- (d) If this Agreement is not executed in counterparts, this Agreement shall be delivered on the date inserted at the top of the front page of this Agreement or, if no such date is inserted, the date on which the last Party executed this Agreement.

18.3 In accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the "Counterparts Act"), the Parties nominate the Senior Creditor's solicitors to take delivery of all the counterparts of this Agreement. The Parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to this Agreement.

19. Notices

19.1 Service

(a) Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by letter or email and sent:

(i) to the Senior Creditor at:

Address: United House, 9 Pembridge Road, London, W11 3JY

Electronic mail: as@unbrandedfinance.com;

Attention: Andrew Smith;

(ii) to the Junior Creditor at:

Address: 4th Floor, 68-70 George Street, Edinburgh EH2 2LR

Electronic mail: calum@souterinvestments.com

Attention: Calum Cusiter; and

(iii) to the Borrower at:

Address: Square and Crescent, 18 Walker Street, Edinburgh EH3 7LP

Electronic mail: simon@squareandcrescent.com

Attention: Simon Cook,

(b) Any Party may change its contact details by giving not less than five Business Days' notice to the other Parties.

19.2 Delivery

Any such communication made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Senior Creditor only if it is addressed in such a manner as the Senior Creditor shall specify for this purpose.

19.3 Electronic communication

Any electronic communication which becomes effective, in accordance with Clause 19.2 above, after 5.00pm in the place in which the Party to whom the relevant communication is sent or made available shall be deemed only to become effective on the following day.

20. Consent to registration

The Parties consent to the registration of Agreement for preservation and execution.

21. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Scots law.

22. Enforcement

22.1 Jurisdiction

(a) 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 or any non-contractual obligations arising out of or in connection with this Agreement) (a "Dispute").

(b) The parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.

- (c) This Clause 23.1 is for the benefit of the Senior Creditor only. As a result, the Senior Creditor shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Senior may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF these presents consisting of this and the 13 preceding pages and the Schedule annexed hereto are executed as follows and are delivered on the date of delivery inserted at the top of the first page of these presents:

BORROWER

SUBSCRIBED for and on behalf of the said
FINANCE DEVELOPMENT LLP by Square and
Crescent Group Ltd, a member and signed for
and on behalf of Square and Crescent Group Ltd
by Euan Marshall, a director

.....
Director, for and on behalf of Square and
Crescent Group Ltd
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)

at
(town of signature)

on
(date of signature)

JUNIOR CREDITOR

SUBSCRIBED for and on behalf of the said
SOUTER ORCHARD BRAE LIMITED by
acting by

.....
Authorised Signatory/Director
(print full name)

.....
Authorised Signatory/Director
(signature)

Before this witness

.....
Witness
(print full name)

.....
Witness
(signature)

of
(address of witness)


at
(town of signature)

on
(date of signature)


SENIOR CREDITOR

SUBSCRIBED for and on behalf of the said
UNBRANDED FINANCE LIMITED by
acting by

ANDREW SMITH
.....
Authorised Signatory/Director
(print full name)


.....
Authorised Signatory/Director
(signature)

Before this witness /


.....
Witness
(print full name)

GRAVIN BUCHAN
.....
Witness
(signature)

of 19A Canning Street, Edinburgh
(address of witness)

at Edinburgh
(town of signature)

on 29 APRIL 2021
(date of signature)

[REDACTED]

[REDACTED]

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING RANKING AGREEMENT BETWEEN UNBRANDED FINANCE LIMITED, FINANCE DEVELOPMENT LLP AND SOUTER ORCHARD BRAE LIMITED

PART 1

Senior Debt Documents

Part 1A– Senior Lending Documents

The facility agreement (comprising a facility letter and standard conditions) dated 13 April 2021 between the Borrower and the Senior Creditor.

Part 1B – Senior Security Documents

Bond and floating charge dated on or around the date of this Agreement between the Borrower and the Senior Creditor.

The Senior Standard Security.

PART 2

Junior Debt Documents

Part 2A– Junior Lending Documents

Loan from the Junior Creditor to the Borrower pursuant to Clause 9 of the Members Agreement.

Part 2B – Junior Security Documents

The Junior Standard Security.



