

DATED

5 September

2025

SECURITY AGREEMENT

between

MUSTANG ENGINEERING LIMITED
AS CHARGOR

and

GLAS TRUST CORPORATION LIMITED
ACTING AS THE SECURITY AGENT



ENLIGHTENED THINKING

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 this Agreement is delivered on 5 September 2025

SECURITY AGREEMENT BETWEEN

PARTIES

- (1) **MUSTANG ENGINEERING LIMITED** (Registered number SC273548) having its registered office at Sir Ian Wood House Hareness Road, Altens Industrial Estate, Aberdeen, Scotland, AB12 3LE (the "**Chargor**"); and
- (2) **GLAS TRUST CORPORATION LIMITED** for itself and as security trustee and security agent for the Secured Parties (the "**Security Agent**")

BACKGROUND

- (A) The board of directors of the Chargor is satisfied that entering into this Agreement would be most likely to promote the success of the Chargor for the benefit of its members as a whole and to the further benefit and advantage of the Chargor.
- (B) The Security Agent holds the benefit of this Agreement for the Secured Parties on the terms of the Finance Documents.

IT IS AGREED as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Agreement:

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act.

"Assignment" means an "assignment of a claim" under section 1 of the MTA 2023 set out in this Agreement and the terms **"assign"** and **"assigned"** shall be construed accordingly.

"Assigned Agreements" means all the Chargor's right, title, benefit and interest from time to time in and to any Intra-Group Loan Agreements and all Related Rights.

"Assigned Right" means any claim, right, benefit or entitlement assigned by the Chargor under, or pursuant to the terms of, this Agreement.

"Bank Accounts" means all bank accounts specified in Part 1 (*Bank Accounts*) of the Schedule and any Future Bank Accounts and **"Bank Account"** means any one of them.

"CA 2006" means the Companies Act 2006.

"Counterparty" means:

- (a) any party to an Assigned Agreement (other than the Chargor); or
- (b) any other "debtor" as regards any Assigned Right (as the term "debtor" is defined in section 41(1) of the MTA 2023).

"CREST" means the relevant system (within the meaning of the Uncertificated Securities Regulations) operated by Euroclear UK and International Limited.

"CREST Rights" means, in relation to the Chargor, all its right, title and interest from time to time in, against and to:

- (a) any system participant or sponsoring system participant in respect of CREST;
- (b) any account forming part of CREST; and
- (c) any payment obligation of any settlement bank in respect of CREST,
- (d) in each case arising in connection with any Investment which is recorded in the relevant operator register of members (within the meaning of the Uncertificated Securities Regulations) as being held in uncertificated form and is transferable through CREST, and all Related Rights, and provided that the terms system participant, sponsoring system participant and settlement bank shall each have the meaning given to them in the Uncertificated Securities Regulations.

"Declared Default" means a continuing Event of Default in respect of which the Agent has served a notice or exercised any of its rights under the acceleration provisions of the Interim Facility Agreement.

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

"Deposits" means all sums (in any currency) now or after the date of this Agreement standing to the credit of each Bank Account (including without limitation any interest credited to it) including all or any part of the sums pursuant to it and the debt represented by it or any claim for repayment of such sums and **"Deposit"** shall be construed accordingly.

"Excluded Shares" means any shares in a joint venture which are restricted from being secured by way of fixed or floating charge under a joint venture agreement, shareholder agreement or other similar agreement.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 SI 2003/3226.

"Fixtures" means fixtures, fittings and fixed plant, machinery and apparatus.

"Future Bank Accounts" means all bank accounts located in Scotland that the Chargor holds at any time after the date of this Agreement (other than the bank accounts specified in Part 1 (*Bank Accounts*) of the Schedule) where the balance of such account is equal to or exceeds or has been equal to or exceeded USD\$5,000,000 in each case on any Test Date on or after the date of this Agreement but

excluding any account which is subject to cash management or cash pooling arrangements permitted under the Finance Documents and which prohibit the creation of any Security over that account.

"Future CREST Rights" means CREST Rights owned by or on behalf of the Chargor at any time after the date of this Agreement.

"Future Investments" means all Investments owned by or on behalf of the Chargor at any time after the date of this Agreement.

"Group" has the meaning given to that term in the Interim Facility Agreement.

"Group Shares" means Shares in Scottish group entities to be subject to separate Scottish share pledge held by the Chargor or on its behalf.

"Insolvency Act" means the Insolvency Act 1986.

"Insurances" means all the Chargor's right, title and interest from time to time in and to all net proceeds of contracts and policies of insurance of any kind either now or in the future held by, or written in favour of, the Chargor or in which it is otherwise interested (but excluding any proceeds of third party liability insurance) and all Related Rights.

"Intellectual Property" means all the Chargor's right, title and interest from time to time in and to:

- a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered; and
- b) the benefit of all applications and rights to use such assets,

and all Related Rights (in each case including any related licences and sub-licences of the same granted by it or to it).

"Interim Facility Agreement" means the interim facility agreement dated on or around the date of this Agreement between, among others, the Borrower, the Company, the Guarantors and the Lenders named in that agreement, the Agent and the Security Agent.

"Intra-Group Lender" means the Chargor.

"Intra-Group Lending" means all present and future loans, credit or other financial arrangements (whether documented or undocumented) made available by the Intra-Group Lender to another member of the Group.

"Intra-Group Loan Agreement" means a loan agreement in respect of liabilities in connection with any Intra-Group Lending which is governed by Scots law.

"Intra-Group Receivables" means all the Chargor's right, title and interest from time to time in and to all rights to receive money pursuant to Intra-Group Lending and all Related Rights.

"Investments" means all the Chargor's right, title and interest from time to time in and to:

- (a) shares, stocks, debentures, units, bonds, notes, commercial paper, certificates of deposit, depository interests, securities and other investments;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire securities and investments; and
- (c) any other securities or investments deriving from Investments or any rights attaching or relating to securities or investments,

in each case excluding Group Shares and including whether in certificated or uncertificated form, held through CREST or any other electronic share clearing, transfer or settlement system, and any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

"Litigation Proceeds" means all present and future net proceeds owing to the Chargor arising from litigation, arbitration or settlement agreements after deducting:

- (d) any reasonable and documented expenses incurred by any member of the Group to persons who are not members of the Group; and
- (e) any Tax incurred and required to be paid by a member of the Group (as reasonably determined by the relevant member of the Group on the basis of existing rates and taking into account any available credit, deduction or allowance),

in each case in relation to any such litigation, arbitration or settlement agreements.

"Majority Lenders" has the meaning given to that term in the Interim Facility Agreement.

"Material Intellectual Property" means any of the Chargor's Intellectual Property which has a material value and is required for the operation of the business of the Chargor or any other member of the Group (as determined by the Chargor acting reasonably).

"MTA 2023" means the Moveable Transactions (Scotland) Act 2023 and the Moveable Transactions (Scotland) Act 2023 (Financial Collateral Arrangements and Financial Instruments) (Consequential Provisions and Modifications) Order 2025.

"NSI Act" means the National Security and Investment Act 2021.

"Obligor" has the meaning given to that term in the Interim Facility Agreement.

"Party" means a party to this Agreement.

"Plant and Machinery" means all the Chargor's right, title and interest from time to time in and to all plant and machinery and all Related Rights.

"Pledge" means a "pledge" under section 42 of the MTA 2023 and created under or pursuant to this Agreement; and the term **"pledged"** shall be construed accordingly.

"Pledge Enforcement Notice" means a notice of entitlement to enforce a Pledge in such statutory form as may be required from time to time.

"Pledged Asset" means any asset, property, right, benefit or entitlement which is expressed to be subject to a Pledge under, or pursuant to the terms of, this Agreement.

"Pledged Securities" means any and all of the Investments, Future Investments, CREST Rights and Future CREST Rights.

"Quasi-Security" means a transaction under which any member of the Group will:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Borrowings or of financing the acquisition of an asset.

"Real Property" means all the Chargor's right, title and interest from time to time in and to any individual heritable, freehold or leasehold property in England and Wales, Scotland and other real property anywhere in the world which (on a standalone basis) has a market value equal to or above USD 5,000,000 (or its equivalent in any other currency or currencies), all buildings and Fixtures from time to time on that property, and all Related Rights.

"Receivables" means, in relation to the Chargor, all its right, title and interest from time to time in and to all book and other debts of any nature, all other rights to receive money (including Litigation Proceeds and Intra-Group Receivables, but excluding Charged Accounts), and all Related Rights.

"Receiver" means any receiver or administrative receiver appointed in respect of all or any party of the Security Assets (whether pursuant to the terms of this Agreement, any statute, by a court or otherwise) and this includes joint receivers and shall if allowed by law include an administrative receiver.

"Related Rights" means, in relation to a Security Asset:

- a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;

- b) any moneys or proceeds paid or payable deriving from that Security Asset;
- c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset;
- d) any awards, decrees or judgments in favour of the Chargor in relation to that Security Asset; and
- e) any other assets deriving from, or relating to, that Security Asset.

"Schedule" means the schedule in four parts annexed as relative to this Agreement.

"Secured Obligations" has the meaning given to the term "Secured Liabilities" under the Interim Facility Agreement.

"Secured Party" has the meaning given to that term under the Interim Facility Agreement.

"Security Assets" means the assets which from time to time are, or are expressed to be, the subject of the Security Interests or any part of those assets.

"Security Interests" means all or any of the Security created or expressed to be created in favour of the Security Agent by or pursuant to this Agreement.

"Security Principles" has the meaning given to that term Agreed Security Principles under the Interim Facility Agreement.

"Test Date" has the meaning given to that term under the Interim Facility Agreement.

"Third Parties Act" means the Contract (Third Party Rights) (Scotland) Act 2017.

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulations 2001

"Unenforceable" means void, voidable, invalid, extinguished pursuant to section 52 of the MTA 2023, unenforceable or otherwise irrecoverable (whether or not known to the Security Agent or any other Secured Party).

1.2 **Incorporation of defined terms**

Unless a contrary indication appears, terms defined in the Interim Facility Agreement have the same meaning in this Agreement.

1.3 **Construction**

- 1.3.1 The provisions of Clauses 1.2 (*Construction*) of the Interim Facility Agreement are hereby incorporated into this Agreement and apply to this Agreement as though they were set out in full in this Agreement except that references to the Interim Facility Agreement will be construed as references to this Agreement.

1.3.2 If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Agreement.

1.3.3 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.4 **Financial Assistance**

Notwithstanding any other provision of this Agreement or any other Finance Document, the security granted by the Chargor pursuant to this Agreement, and any guarantee, indemnity or other obligation contained herein, shall not extend to any liability to the extent that it would result in such security, guarantee, indemnity or other obligation constituting unlawful financial assistance within the meaning of sections 678 or 679 of the CA 2006 or any equivalent provision of any applicable law.

1.5 **Interim Facility Agreement**

In the event of any inconsistency between this Agreement and the Interim Facility Agreement, the Interim Facility Agreement shall prevail.

2 **Undertaking to Pay**

2.1 The Chargor hereby undertakes to pay to the Security Agent (for itself and for the Secured Parties) each of the Secured Obligations when due in accordance with its terms.

2.2 Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

3 **Creation of Security**

3.1 Each Assignment is made with warrandice that:

3.1.1 the Chargor is entitled to assign the Assigned Rights;

3.1.2 each person against whom a claim may be enforced is obliged to, or (when performance becomes due) will be obliged, to perform in full to the Chargor; and

3.1.3 other than where expressly permitted pursuant to this Share Security, the Chargor has done nothing, and will do nothing, to prejudice the Assignations and Pledges at Clause 4 (*Fixed Security*).

3.2 Each Assignment at Clause 4 (*Fixed Security*) effects an immediate assignment, conveyance and transfer of the relevant Assigned Rights as such Assigned Rights arise or to the extent Clause 4.8

applies in respect of any Assigned Rights, such Assignment effects an assignment, conveyance or transfer of such Assigned Rights immediately upon such consent being given.

- 3.3 Each security interest granted at or pursuant to Clause 4 (*Fixed Security*) is separate and distinct.
- 3.4 No obligation will be assumed by the Security Agent in respect of the Assigned Rights as a result of the execution and delivery of this Agreement and no liability will be incurred by the Security Agent as a result of any failure by the Security Agent to comply with all or any of its obligations in relation to the Assigned Rights.
- 3.5 The Security Agent holds the benefit of this Agreement and each Security granted or created hereunder on trust for the Secured Parties under the terms of the Interim Facility Agreement.

4 Fixed Security

4.1 Assigned Agreements

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby assigns to the Security Agent its entire right, title, benefit and interest in and to the Assigned Agreements.

4.2 Investments and CREST Rights

- 4.2.1 The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby grants a Pledge to the Security Agent over the Investments and the CREST Rights owned or held on behalf of the Chargor at the date of this Agreement.
- 4.2.2 The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby grants a Pledge to the Security Agent over the Future Investments and Future CREST Rights.
- 4.2.3 The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby Assigns to the Security Agent its entire right, title, benefit and interest in and to all of the Investments and the CREST Rights.
- 4.2.4 The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby Assigns to the Security Agent its entire right, title, benefit and interest in and to all Future Investments and Future CREST Rights.
- 4.2.5 Each of the Assignations and Pledges granted at Clauses 4.2.1 to 4.2.4 is a separate and distinct Assignment and Pledge.

4.3 **Bank Accounts**

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby assigns to the Security Agent its entire right, title, benefit and interest (present and future) in and to the Bank Accounts and the Deposits.

4.4 **Receivables**

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby assigns to the Security Agent all its entire right, title, benefit and interest (present and future) in and to Receivables.

4.5 **Plant and Machinery**

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby grants a Pledge to the Security Agent over the Plant and Machinery.

4.6 **Insurances**

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby assigns to the Security Agent its entire right, title, benefit and interest (present and future) in and to Insurances.

4.7 **Intellectual Property**

The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby grants a Pledge in favour of the Security Agent over all of the Intellectual Property.

4.8 **Consents**

Subject to Clause 11.2 (*Notice of assignment*), if the consent of (x) any party (excluding any third party customer) to a document is required to create fixed security over, or an assignment of, the rights of the Chargor under that document or (y) any third party is required to create fixed security over, or an assignment of, the rights of the Chargor over any of the Chargor's other assets:

4.8.1 the Chargor shall promptly notify the Security Agent upon becoming aware of such need for consent;

4.8.2 until the consent of the relevant party has been obtained, this Agreement shall secure all amounts which the Chargor may receive, or has received, under that document or in respect of that asset but exclude any fixed security over, or any assignment of, those rights or assets;

4.8.3 unless the Security Agent requires otherwise, the Chargor shall use reasonable endeavours for a period of 90 days to obtain the consent of the relevant party to the

creation of fixed security over or, as the case may be, an assignment of, those rights under this Agreement;

4.8.4 if the Chargor has used reasonable endeavours for such 90-day period but has not been able to obtain consent, its obligation to obtain such consent shall cease; and

4.8.5 on any date on which the consent of the relevant party is obtained, the fixed security over or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Agreement shall attach to those rights.

4.8.6 Upon the occurrence of a continuing Event of Default, if the consent of any third party customer is required to created fixed security over, or an assignment of, the rights of the Chargor under the relevant document:

4.8.6.1 if the Security Agent requires it do so, the Chargor shall use reasonable endeavours to obtain the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Agreement as soon as reasonably practicable; and

4.8.6.2 on the date on which the consent of the relevant party is obtained, the fixed security over or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Agreement shall attach to those rights.

4.8.7 Subject to clause 9.1, for the avoidance of doubt, notwithstanding any other provision of this Agreement, prior to the occurrence of an Event of Default that is continuing the Chargor shall not be under any obligation to seek consent from or deliver notice to a third party customer or account bank to create any security purported to be created under this Agreement and to the extent that such consent would be required in order to create security, the relevant asset shall be excluded from the assignment and/or security created under this Agreement.

4.9 **Excluded Shares**

No provision of this Agreement will create any assignment, assignment, charge or other security in respect of any Excluded Shares. In case of any inconsistency between this Clause 4.9 and any other provision of this Agreement, this Clause shall prevail.

5 **Floating Charge**

5.1 The Chargor as a continuing security for the payment and discharge of the Secured Obligations hereby grants to the Security Agent a floating charge over all its undertaking and all its assets, both present and future regardless of whether or not any of such property is subject to any fixed security granted

under Clause 4 (*Fixed Security*) or any other deed or document or arising by operation of law or otherwise.

5.2 The floating charge created by this Clause 4.8 (*Floating Charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.

5.3 Subject to Clause 5.4, obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Part A1 of the Insolvency Act (including any preliminary decision or investigation) in respect of the Chargor shall not:

5.3.1 cause the floating charge over all or any of the Security Assets of the Chargor to crystallise until the date upon which it is permitted to crystallise in accordance with section A22 of the Insolvency Act; or

5.3.2 be a ground for the appointment of a Receiver of all or any part of the Security Assets of the Chargor.

5.4 Clause 5.3 does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act.

6 Negative pledge and ranking

6.1 The Chargor shall not create or permit to subsist any Security or Quasi-Security over any Security Asset, except as permitted by the Interim Facility Agreement.

6.2 Except as may be agreed with the Security Agent and subject to section 464(2) of the Companies Act 1985, the floating charge created by Clause 4.8 (*Floating Charge*) shall rank in priority to any fixed security which shall be created by the Chargor after its execution of this Agreement (other than a fixed security in favour of the Security Agent) and to any other floating charge which shall be created by the Chargor after its execution of this Agreement.

6.3 If the Chargor creates, incurs, assumes or permits to subsist any Security in breach of this Clause 6 (*Negative pledge and ranking*) then the floating charge created by Clause 4.8 (*Floating Charge*) shall rank in priority to such Security.

6.4 Except as permitted under the Interim Facility Agreement or this Agreement, the Chargor must not enter into any single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, lease or otherwise dispose of all or any part of the Assigned Rights.

6.5 Except as permitted under the Interim Facility Agreement or this Agreement, the Chargor must not enter into any single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, lease or otherwise dispose of all or any part of any Pledged Asset without the prior written consent of the Security Agent..

6.6 Consent pursuant to Clause 6.5 must:

6.6.1 at all times be at the discretion of the Security Agent;

6.6.2 be obtained within 14 days of each proposed sale, transfer, lease or other disposal; and

6.6.3 detail and identify the particular transaction, including the Pledged Asset which is the subject of the transaction, and the identity of the relevant acquirer, transferee, lessee or donee.

6.7 Clause 6.5 does not apply to any disposal made in the ordinary course of trading of any asset which is not a Pledged Asset but is subject to the floating charge created under this Agreement.

6.8 Subject to the terms of the Security Principles, where the Chargor sells, leases, transfers or otherwise disposes of any Security Asset to a third party (a “**Relevant Disposal**”), and the Security Agent, acting reasonably, considers that any Security Interest created over any Security Asset that is not the subject of the Relevant Disposal may have been extinguished pursuant to section 52 of the MTA, then within 10 Business Days of the Security Agent (or its agents) delivering to the Chargor a security agreement on substantially the same terms as this Agreement, the Chargor will grant such additional security agreement in favour of the Security Agent over the Security Assets that are not the subject of the Relevant Disposal.

7 **Registration of security**

7.1 The Chargor consents to the registration of this Agreement and all required particulars and documents:

7.1.1 at Companies House under the CA 2006; and

7.1.2 at the Registers of Scotland in the Register of Assignations in respect of each Assignment;

7.1.3 at the Registers of Scotland in the Register of Statutory Pledges in respect of each Pledge; and

7.1.4 at the UK Intellectual Property Office.

8 **Real Property**

8.1 The Chargor shall promptly notify the Security Agent of its acquisition of, or agreement to acquire, any Real Property.

8.2 If the Chargor acquires any Real Property in England and Wales or Scotland after the date of this Agreement, the Chargor shall promptly, and in any event no later than 90 Business Days from having acquired the Real Property:

- 8.2.1 deposit with the Security Agent, and the Security Agent shall be entitled to hold, all title deeds and documents relating to the Chargor's Real Property;
- 8.2.2 execute and deliver all such documents and take any necessary actions, or such actions as may be requested by the Security Agent (acting reasonably) for the purposes of granting and perfecting Security (including, but not limited to, by way of first mortgage or first standard security as required) over the Real Property as security for the payment of all Secured Obligations;

provided that, if the consent of a landlord is required for the Chargor to provide security over a lease, the Chargor will not be required to perform the obligations set out in Clause 8.2.2 unless and until it has obtained the landlord's consent. The Chargor must use its reasonable endeavours for 90 days to obtain the landlord's consent unless, prior to or during such period, the Security Agent determines that the landlord's consent is unlikely to be provided. If the Chargor has used reasonable endeavours but has not been able to obtain consent from the landlord within such 90-day period, its obligation to obtain such consent shall cease.

9 Bank Accounts

- 9.1 Subject to Clause 9.3, if the consent of any account bank is required to create fixed security over the rights of the Chargor under that bank account:
 - 9.1.1 the Chargor shall promptly notify the Security Agent;
 - 9.1.2 unless the Security Agent requires otherwise, the Chargor shall use reasonable endeavours for a period of 90 days to obtain the consent of the relevant account bank to the creation of fixed security over those rights under this Agreement;
 - 9.1.3 if the Chargor has used reasonable endeavours for such 90-day period but has not been able to obtain consent, its obligation to obtain such consent shall cease; and
 - 9.1.4 on any date on which the consent of the relevant account bank is obtained, the fixed security over those rights under this Agreement shall attach to those rights,

provided that, to the extent the relevant bank account is subject to cash management or other cash pooling arrangements, the Chargor shall only be required to take the steps in clauses 9.1.1 to 9.1.4 above if those cash management or other cash pooling services are being provided by an account bank that is also a Lender (or Affiliate thereof).

- 9.2 The Chargor shall not make any withdrawal from any Bank Account except:
 - 9.2.1 prior to the occurrence of an Event of Default which is continuing, in the ordinary course of its business or for such other purpose as is permitted by the terms of the Interim Facility Agreement; or

9.2.2 while an Event of Default is continuing (and subject to Clause 9.2.3 below), in the ordinary course of its business; and

9.2.3 if (i) a Declared Default has occurred and is continuing or (ii) the Security Agent has delivered notice to the Chargor that it wishes to take control of the relevant Bank Account(s) while an Event of Default is continuing, with the prior consent of the Security Agent.

9.3 If the Security Agent so requires while an Event of Default is continuing, the Chargor shall:

9.3.1 promptly deliver to the Security Agent, such details of all Bank Accounts (including contact details for each relevant account bank) as the Security Agent may require; and

9.3.2 promptly deliver to each account bank in respect of each Bank Account (with a copy to the Security Agent) such notice of charge as the Security Agent may reasonably require for the purposes of taking control of the relevant Bank Account in accordance with Clause 9.2.3 above.

10 Investments

10.1 The Chargor shall promptly:

10.1.1 deliver to the Security Agent, or as it directs, any original certificates and other documents of title in its possession relating to its Investments (excluding those Investments held in an account or through a clearing system for which no certificate or document of title is customarily held by the owner); and

10.1.2 deliver to the Security Agent, or as it directs, duly executed (and, where applicable, undated and/or in blank) transfer forms or such other transfer documents as the Security Agent may reasonably require in respect of any Investment for which a transfer document is customarily available and is in the Chargor's possession,

in each case except in respect of any Investments which are intended by the Chargor to be dealt with, disposed of or traded in the ordinary course of its business (including on a short term or intra-day basis or as part of the Chargor's ordinary course treasury management practices) or which are otherwise held in a manner where physical delivery of title documents is not practicable or customary (including Investments held in dematerialised, electronic or book-entry form through a clearing or settlement system, nominee or custodian).

10.2 At any time prior to the occurrence of an Event of Default which is continuing the Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment provided that:

10.2.1 it does so for a purpose not prohibited by, or which would not, or would be not reasonably be expected to, result in a breach of, the Finance Documents; and

10.2.2 the exercise of or, as the case may be, the failure to exercise those rights would not have an adverse effect on the validity and/or enforceability of the Security Interests and/or the ability of the Security Agent to realise the Security Interests and would not otherwise prejudice the interests of any Secured Party under any Finance Document.

10.3 Voting after enforcement

10.3.1 Subject to Clause 10.3.2, at any time while an Event of Default is continuing and the Security Agent has issued a Pledge Enforcement Notice:

10.3.1.1 the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment; and

10.3.1.2 the Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

10.3.2 The Security Agent or Receiver shall not be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment, if and to the extent that:

10.3.2.1 a notifiable acquisition would, as a consequence, take place under section 6 of the National Security and Investment Act 2021 (the "**NSI Act**") and any regulations made under the NSI Act; and

10.3.2.2 either:

- a. the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or
- b. the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act.

10.4 Cash dividends before enforcement

Subject to any restrictions set out in the Finance Documents, at any time prior to the occurrence of an Event of Default which is continuing the Chargor shall be entitled to retain any cash dividend deriving from the Investments.

10.5 Cash dividends after enforcement

At any time while an Event of Default is continuing the Chargor shall hold any cash dividend deriving from the Investments received by it on trust for the Secured Parties and, if so requested by the Security Agent, shall transfer or pay the same immediately to the Security Agent or as it may direct.

10.6 Investments held by nominees of Chargors

If any Investment of the Chargor is held in the name of a nominee of the Chargor, the Chargor shall promptly at any time while an Event of Default is continuing, and if so requested by the Security Agent, deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Agent, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Agent requires.

10.7 Communications

10.7.1 The Chargor shall promptly upon request by the Security Agent deliver to it a copy of each circular, notice, report, set of accounts or other document received by it or its nominee relating to any of its Investments.

10.7.2 The Chargor shall promptly deliver to the Security Agent a copy of, and comply with, each request for information which is made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Investments.

10.7.3 If the Chargor does not comply with Clause 10.7.1, the Security Agent may provide any information it has on behalf of the Chargor.

10.8 Payment of calls

10.8.1 The Chargor shall promptly pay all calls or other payments in respect of any of its Investments.

10.8.2 If the Chargor does not comply with Clause 10.8.1, the Security Agent may pay that call or other payment on behalf of the Chargor.

10.8.3 The Chargor shall immediately on request by the Security Agent reimburse the Security Agent for any payment made by the Security Agent under this Clause 10.8.

11 Assigned Agreements

11.1 The Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, executed copies of each Assigned Agreement to which it is a party and shall promptly deliver such other documents relating to the Assigned Agreements as the Security Agent requires.

- 11.2 The Chargor shall within five Business Days of the date of this Agreement (or five Business Days of any Assigned Agreement being entered into after the date of this Agreement) give notice of the assignation in Clause 4.1, substantially in the form set out in Part 2 of the Schedule (or in such other form as is acceptable to the Security Agent) and shall use its reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the relevant form of acknowledgement, except to the extent that such notice is given pursuant to the terms of the Interim Facility Agreement.
- 11.3 The Chargor shall remain liable to perform all its obligations under each Assigned Agreement to which it is a party. Neither the Security Agent, any Receiver nor any Delegate shall be under any obligation or liability to the Chargor or any other person under or in respect of any Assigned Agreement.

12 Insurance

- 12.1.1 The Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, such contracts and policies of insurance taken out by or on behalf of it and the related premium receipts, and such other documents relating to the Chargor's Insurances, as the Security Agent requires.
- 12.1.2 The Chargor shall ensure that, following receipt of written notice from the Security Agent stating that the Security Interests have become enforceable, its Insurances taken out by or on behalf of it name the Security Agent as a loss payee.
- 12.1.3 The Chargor shall do or omit to do or permit to be done or omitted anything which renders or might reasonably be expected to render any of its Insurances void, voidable or unenforceable.
- 12.1.4 If the Chargor does not comply with any requirement of clause 20.12 (*Insurance*) of the Interim Facility Agreement, the Security Agent may take out any insurances of the assets of the Chargor or any of them reasonably required by the Security Agent and may take any action reasonably required by the Security Agent to comply with any such provision.
- 12.1.5 The cost and expense of any action referred to in Clause 12.1.4 above shall be borne by the Chargor.
- 12.1.6 The Chargor shall (i) in respect of all Scots law governed policies of insurance in existence and held by the Chargor as at the date of this Agreement, within five Business Days of the date of this Agreement or (ii) within five Business Days of any Scots law governed policies of insurance being effected after the date of this Agreement, give notice of the assignation in Clause 4.6 substantially in the form set out in Part 3 of the Schedule (or in such other form as is acceptable to the Security Agent) and shall use its reasonable endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement.

- 12.1.7 If the Chargor has used reasonable endeavours but has not been able to obtain consent within 90 days, its obligation to obtain such consent shall cease.

13 Intellectual Property

13.1 Notification

The Chargor shall promptly notify the Security Agent of its acquisition of, or agreement to acquire, (by licence or otherwise) any Material Intellectual Property, and any application by it or on its behalf to register any Material Intellectual Property.

- 13.2 The Chargor shall promptly deliver to the Security Agent, and the Security Agent shall be entitled to hold, such documents relating to the Chargor's Material Intellectual Property as the Security Agent requires.

13.3 The Chargor shall:

- 13.3.1 preserve and maintain the subsistence and validity of the Material Intellectual Property necessary for its business from time to time;
- 13.3.2 use reasonable endeavours to prevent any infringement in any material respect of its Material Intellectual Property including, where appropriate, commencing and diligently undertaking the prosecution of infringement actions or oppositions;
- 13.3.3 make registrations where registration is necessary or desirable and pay all registration fees, renewal fees and taxes necessary to maintain its Material Intellectual Property in full force and effect and record its interest in that Material Intellectual Property;
- 13.3.4 not use or permit its Material Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Material Intellectual Property which may materially and adversely affect the validity and/or enforceability of the Security Interests or imperil the right of any member of the Group to use such property;
- 13.3.5 not discontinue the use of its Material Intellectual Property;
- 13.3.6 take all steps to record this Agreement and restrictions on disposal under this Agreement on such registers, in such jurisdictions and within such time limits as the Security Agent requires in order to perfect the Security Interests over its Material Intellectual Property; and
- 13.3.7 perform and comply with all laws and obligations to which it is subject as registered proprietor, beneficial owner, user, licensor or licensee of any Material Intellectual Property held by it.

- 13.4 The Chargor shall not grant any exclusive registered user agreement or exclusive licence in relation to any of its present or future Material Intellectual Property.

14 General undertakings

- 14.1 The Chargor shall supply to the Security Agent promptly such information regarding its financial condition, business and operations, its Security Assets and its compliance with this Agreement as the Security Agent may reasonably request.
- 14.2 The Chargor shall permit the Security Agent and/or any of its representatives (including workmen, surveyors, valuers and other persons) at all reasonable times to view the condition of, and repair, any of its Security Assets.
- 14.3 The Chargor shall not do, nor permit to be done, anything with the intention of prejudicing the Security Interests.

15 Representations and warranties

- 15.1 The Chargor makes the representations and warranties set out in clause 17 (*Representations*) of the Interim Facility Agreement to the Security Agent on the date of this Agreement.
- 15.2 The Chargor represents and warrants to the Security Agent that the assets listed in Part 4 of the Schedule (*Material Intellectual Property*) in respect of the Chargor are all of the relevant class of assets in which it has an interest.

16 When Security Becomes Enforceable

16.1 When enforceable

The Security created by this Agreement shall become immediately enforceable on and at any time after the occurrence of a Declared Default which is continuing.

16.2 Enforcement Action

At any time after the Security Interests have become enforceable under this Clause 16 (*When Security Becomes Enforceable*), the Security Agent may, subject to the other provisions of this Agreement in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by the Majority Lenders.

17 Enforcement

17.1 Possession

If the Security Agent, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Agent, any Receiver nor any Delegate shall be

liable, by reason of viewing or repairing any of the present or future assets of the Chargor that it takes possession of under this Agreement or otherwise acting, as a mortgagee or assignee in possession.

17.2 **Costs, acts and omissions**

Neither the Security Agent, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets under this Agreement or for any other reason and whether as mortgagee, assignee or heritable creditor in possession or otherwise, be liable for:

- 17.2.1 any costs, losses, liabilities or expenses relating to the realisation of any Security Assets;
or
- 17.2.2 any act or omission of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

17.3 **Assigned Rights**

After the Security created by or pursuant to this Agreement has become enforceable, the Security Agent may, in its absolute discretion and without notice to the Chargor or any other person, either in its own name or in the name of the Chargor, exercise all and/or any rights and powers in relation to all or any of the Assigned Rights which could be exercised by the absolute owner thereof, including (without limitation):

- 17.3.1 the power to sell, call in, collect, convert into money or otherwise dispose of all or any of the Assigned Rights with full power to sell any of the same either together or in parcels and either by public auction or private sale and for such consideration (whether in cash, securities or other assets and whether deferred or not) as the Security Agent may think fit and with full power to buy in or rescind or vary any contract of sale of all or any of the Assigned Rights and to resell the same without being responsible for any loss which may be occasioned thereby and for the purposes aforesaid or any of them to execute and do all such assurances and things as it shall think fit;
- 17.3.2 the power to apply or transfer all or any part of a Deposit to any other account (whether of the Chargor, the Security Agent or otherwise);
- 17.3.3 the power to receive all or any money payable in respect of or in connection with all or any of the Assigned Rights;
- 17.3.4 to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Assigned Rights;
- 17.3.5 the power to negotiate, compromise and/or agree any dispute arising out of all or any of the Assigned Rights; and

- 17.3.6 to do all such other acts and things it may consider necessary or expedient for the realisation of the Assigned Rights or incidental to the exercise of any of Assigned Rights and to concur in the doing of anything which the Chargor has the right to do and to do any such thing jointly with any other person.

17.4 Investments

- 17.4.1 After the Security created by or pursuant to this Agreement has become enforceable pursuant to Clause 16.1 (*When security becomes enforceable*), with effect from the date on which the Security Agent issues the Chargor with a Pledge Enforcement Notice, the Security Agent (or its nominee) may exercise (without any obligation to do so) all voting and other rights and powers attached to the Investments in such a manner as it shall (in its absolute discretion) see fit, subject to Clause 17.4.2.
- 17.4.2 The Security Agent shall not be entitled to exercise any voting rights or any other powers or rights in respect of any Investments if and to the extent that a notifiable acquisition would, as a consequence, take place under section 6 of the NSI Act and any regulations made under the NSI Act; and either:
- 17.4.2.1 the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or
- 17.4.2.2 the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act.
- 17.4.3 After the Security created by or pursuant to this Agreement has become enforceable pursuant to Clause 17.1 (*When Security becomes Enforceable*), the Security Agent may, at its discretion, in the name of the Chargor or otherwise and without any further consent or authority from the Chargor, apply all Dividends and other distributions declared, payable, paid or made in respect of the Investments in accordance with Clause 20 (*Application of enforcement proceeds*).

17.5 Transfer of ownership of Pledged Securities

- 17.5.1 Without prejudice to Clause 17.12 (*Financial collateral*), the parties agree, for the purposes of section 74 of the MTA 2023, that
- 17.5.1.1 the Security Agent may (but shall not be required to) at any time after the Security created by or pursuant to this Agreement has become enforceable and after service of a Pledge Enforcement Notice in respect of any of the

Pledged Securities, appropriate all or part of those Pledged Securities in satisfaction in whole or part of the Secured Obligations; and

17.5.1.2 the method for determining a reasonable market price for the Pledged Securities or such of the Pledged Securities as are appropriated by the Security Agent pursuant to Clause 17.5.1.1 shall be as set out at Clause 17.12 (*Financial Collateral*).

17.5.2 The Chargor shall promptly following receipt of such Pledge Enforcement Notice from the Security Agent pursuant to Clause 17.5.1.1:

17.5.2.1 procure the issue of certificates representing the Pledged Securities in the name of the Security Agent or its nominee;

17.5.2.2 procure that the Security Agent or its nominee is entered into the Register of Members of the relevant companies in respect of the Pledged Securities; and

17.5.2.3 procure that the Security Agent or its nominee is entered into the "PSC Register" of the relevant companies in accordance with Part 21A of the CA 2006 to the extent required,

in each case in accordance with the articles of association of the relevant companies.

17.5.3 Without prejudice to Clause 17.12 (*Financial collateral*) and Clause 17.5 (*Transfer of ownership of Investments*), the Security Agent may at any time after the Security created by or pursuant to this Agreement has become enforceable and after service of a Pledge Enforcement Notice in respect of any of the Pledged Securities, sell all or part of those Pledged Securities, subject to any court order required under section 66 of the MTA 2023 to itself or any third party ("**Third Party Transferee**").

17.5.4 Where the Security Agent sells any of any of the Pledged Securities pursuant to Clause 17.5.33 it shall take all reasonable steps to ensure that the price obtained on such sale is the best reasonably obtainable, and such sale shall be in accordance with section 68 of the MTA 2023.

17.5.5 The Security Agent may, following the appropriation or sale of any complete any stock transfer forms relating to any Pledged Securities delivered to it under Clause 10.1.1 (*Investments*) in favour of itself or any nominee for it as transferee or any Third Party Transferee as the case may be, and may present same for registration.

17.5.6 The Chargor shall promptly following receipt of the completed stock transfer forms referred to at Clause 17.5.55 from the Security Agent:

- 17.5.6.1 procure the issue of certificates representing the Pledged Securities in the name of the Security Agent or its nominee or the relevant Third Party Transferee;
- 17.5.6.2 procure that the Security Agent or its nominee or the relevant Third Party Transferee is entered into the register of members of the relevant companies in respect of the Pledged Securities; and
- 17.5.6.3 procure that the Security Agent or its nominee or the relevant Third Party Transferee is entered into the 'PSC Register' of the relevant company in accordance with Part 21A of the CA 2006,

in each case in accordance with the articles of association of the relevant companies.

17.6 **NSI Act notifications**

Where the Security Agent proposes to complete the transfer of ownership of any Pledged Securities to itself or its nominee under Clause 17.5.1.1 (*Transfer of ownership of Pledged Securities*) or where Clause 17.4.1 (*Voting rights*) applies, the Security Agent may give a mandatory, or as the case may be, voluntary notice to the Secretary of State in accordance with the NSI Act notifying of the proposed acquisition of shares or voting rights by the Security Agent.

17.7 **PSC notices**

The Chargor shall

- 17.7.1 within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the CA 2006 from the issuer of any Pledged Securities; and
- 17.7.2 if requested by the Security Agent, promptly provide the Security Agent with a copy of any such notice.

17.8 **Clearance systems**

While the Security created by or pursuant to this Agreement is enforceable in accordance with Clause 16.1 (*When Security becomes Enforceable*) the Chargor shall, on request by the Security Agent, instruct any clearance system to transfer any Pledged Securities held by it for the Chargor or its nominee to an account of the Security Agent or its nominee or any Third Party Transferee with that clearance system.

17.9 **Transfer of ownership of other Pledged Assets**

- 17.9.1 At any time after the Security created by or pursuant to this Agreement has become enforceable, and after service of a Pledge Enforcement Notice, the Chargor will, on request

by the Security Agent consent (and shall procure the consent of other persons in possession of the Pledged Assets) to the Security Agent immediately exercising all its rights to take possession of any Pledged Asset and for that purpose to enter on any premises where a Pledged Asset is situated without incurring any liability to the Chargor for, or by any reason of, that entry.

17.9.2 At all times, the Chargor must use its best endeavours to allow the Security Agent or its Delegates access to any premises for the purpose of Clause 17.9.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

17.9.3 The parties agree, for the purposes of section 74 of the MTA 2023, that:

17.9.3.1 the Security Agent may (but shall not be required to) at any time after the Security Agent or its Delegates has taken possession of any Pledged Asset pursuant to Clause 17.9.1, appropriate all or part of those Pledged Assets in satisfaction in whole or part of the Secured Obligations; and

17.9.3.2 the method for determining a reasonable market price for the Pledged Assets or such of the Pledged Assets as are appropriated by the Security Agent pursuant to Clause 17.9.3.1 shall be the price reasonably determined by the Security Agent having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it.

17.9.4 Without prejudice to Clause 17.9.3.1 the Security Agent may at any time after the Security created by or pursuant to this Agreement has become enforceable and after service of a Pledge Enforcement Notice in respect of any of the Pledged Assets sell all or part of those Pledged Assets, subject to any court order required under section 66 of the MTA 2023 to itself or any third party ("**Third Party Transferee**").

17.9.5 The Security Agent shall take all reasonable steps to ensure that the price obtained on a sale of any of the Pledged Assets pursuant to Clause 17.9.4 is the best reasonably obtainable and in accordance with section 68 of the MTA 2023.

17.10 **Protection of third parties**

No purchaser or other person dealing with the Security Agent, any Receiver or its agents shall be concerned to enquire:

17.10.1 whether the powers conferred on the Security Agent, any Receiver or its agents have arisen;

- 17.10.2 whether the powers conferred on the Security Agent, any Receiver or its agents have become exercisable;
- 17.10.3 whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- 17.10.4 whether the Security Agent, any Receiver or its agents is acting within such powers;
- 17.10.5 whether any money remains due under the Finance Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- 17.10.6 as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- 17.10.7 as to the application of any money paid to the Security Agent, any Receiver or its agents.

17.11 **Redemption of prior security**

At any time after the Security created by or pursuant to this Agreement has become enforceable, the Security Agent may redeem any Security (whether or not having priority to this Agreement) over all or any part of the Assigned Rights or Pledged Assets and to settle the accounts of any person with an interest in all or any part of the Assigned Rights or Pledged Assets.

17.12 **Financial collateral**

- 17.12.1 To the extent that the Security Assets constitute "financial collateral" and this Agreement and the obligations of the Chargor under this Agreement constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Regulations), the Security Agent will have the right at any time after this Agreement has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- 17.12.2 If the Security Agent is required to value any financial collateral for the purpose of Clause 17.12.1 above, the value shall be:
 - 17.12.2.1 in the case of cash, its face value at the time of appropriation; and
 - 17.12.2.2 in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may select, including a valuation carried out by an independent investment bank, firm of

accountants or other valuers appointed by the Security Agent and, in any event, attributed in a commercially reasonable manner,

as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent. The Parties agree that the methods of valuation set out in this Clause 17.12.2 are commercially reasonable for the purpose of the Financial Collateral Regulations.

17.13 Neither the occurrence of an Event of Default, a Declared Default as referred to in Clause 17.1 (*When Security becomes Enforceable*) nor anything in this Clause 17 (*Enforcement*) shall be construed as a condition to the transfer of the Assigned Rights to the Security Agent pursuant to the Assignations at Clause 4 (*Fixed Security*).

18 Receiver or Administrator

18.1 Appointment

18.1.1 Except as provided below, the Security Agent may appoint any one or more persons to be an administrator of the Chargor or to be a Receiver of all or any part of the Security Assets if the floating charge created by this Agreement has become enforceable.

18.1.2 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act.

18.1.3 The Security Agent may not appoint an administrative receiver (as defined in section 251 of the Insolvency Act) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act and no exception to the prohibition on appointing an administrative receiver applies.

18.2 Removal

The Security Agent may in writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

18.3 Remuneration

Any Receiver appointed under Clause 18.1 (*Appointment*) shall be entitled to remuneration for their services and the services of their firm appropriate to the responsibilities involved. Subject to section 58 of the Insolvency Act, the remuneration of the Receiver may be fixed by the Security Agent but

such remuneration shall be payable by the Chargor alone and the amount of such remuneration shall form part of the Secured Obligations and accordingly be secured on the Security Assets under the floating charge created by this Agreement.

18.4 **Agent of the Chargor**

18.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes. Subject to the provisions of the Insolvency Act, the Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

18.4.2 No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

18.5 **Relationship with Security Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Agreement (either expressly or impliedly) or by law on a Receiver may after the Security created by this Agreement becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

19 **Powers of Receiver**

19.1 **General**

19.1.1 Any Receiver appointed pursuant to Clause 18 (*Receiver or Administrator*) shall have:

19.1.1.1 the rights set out in this clause 19; and

19.1.1.2 the rights, powers, privileges and immunities conferred by law, including:

a. in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Act on administrative receivers duly appointed under the Insolvency Act; and

b. in all other cases, the rights, powers, privileges and immunities conferred by the Insolvency Act on receivers or receivers and managers; and

19.1.1.3 otherwise, all the powers conferred on a Scottish receiver under Schedule 2 to the Insolvency Act.

19.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing them states otherwise) exercise all of the powers conferred on a Receiver under this Agreement individually and to the exclusion of any other Receiver.

19.2 Possession

A Receiver may take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Secured Party of any Receivables.

19.3 Bank Accounts

A Receiver may apply, transfer or set-off any or all of the credit balances from time to time on any Bank Account in or towards payment or other satisfaction of all or part of the Secured Obligations.

19.4 Carry on business

A Receiver may manage and carry on any business of the Chargor.

19.5 Contracts

A Receiver may enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party.

19.6 Deal with Security Assets

A Receiver may sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred).

19.7 Hive down

A Receiver may form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto.

19.8 Borrow money

A Receiver may borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise).

19.9 Lend money

A Receiver may lend money or advance credit to any person.

19.10 Covenants and guarantees

A Receiver may enter into bonds, covenants, guarantees, indemnities and other commitments.

19.11 Dealings with tenants

A Receiver may grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons.

19.12 Rights of ownership

A Receiver may manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets.

19.13 Protection of Security Assets

A Receiver may insure all or any part of the Security Assets, to carry out decorations, repairs, alterations, improvements and additions to all or any part of the Security Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Security Assets.

19.14 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of the Chargor.

19.15 Claims

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of the Chargor.

19.16 Redemption of Security

A Receiver may redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets.

19.17 Employees

A Receiver may appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by the Chargor.

19.18 Delegation

A Receiver may delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate on a confidential and "need to know" basis.

19.19 **Insolvency Act**

A Receiver may exercise all powers set out in Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 2 to the Insolvency Act, as the case may be, after the date of this Agreement.

19.20 **Receipts**

A Receiver may give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets.

19.21 **Other powers**

A Receiver may do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the Chargor is party or the Insolvency Act.

19.22 **Rights of Security Agent**

At any time after the Security Interests have become enforceable pursuant to Clause 16.1 (*When Security becomes Enforceable*), to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have appointed a Receiver of all or any part of the Security Assets.

20 **Application of Enforcement Proceeds**

20.1 Subject to clause 20.2, all amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Agreement or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the order of priority provided for in clause 26.1 (*Order of application*) of the Interim Facility Agreement.

20.2 Moneys received by the Security Agent from the enforcement of a Pledge are to be applied in such order as may from time to time be prescribed by the MTA 2023.

21 Delegation

- 21.1 Following an Event of Default that is continuing and subject to the terms of the Interim Facility Agreement, the Security Agent or any Receiver may delegate in any manner to any person any rights exercisable by the Security Agent or any Receiver under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent reasonably thinks fit and, subject to any confidentiality provisions in the Interim Facility Agreement the Security Agent or Receiver may pass confidential information to any such delegate.

22 Expenses

- 22.1 The Chargor shall, within five Business Days of demand, pay to the Security Agent the amount of all costs, losses, liabilities and expenses (including legal fees) reasonably incurred by the Security Agent or any Receiver in relation to any Finance Document (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Agreement, or any consideration by the Security Agent as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of any Finance Document and/or any other document referred to in this Agreement).
- 22.2 Clause 12.7 (VAT) of the Interim Facility Agreement shall apply as if it were set out in full in this Agreement, save that references in that clause to "Finance Party" shall be treated in this Agreement as being to "Secured Party".

23 Indemnity

- 23.1 The Chargor shall, within three Business Days of demand, indemnify the Security Agent and any Receiver against any cost, loss, liability or expense incurred by it or them as a result of:
- 23.1.1 any breach by the Chargor of this Agreement; or
- 23.1.2 the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Agreement or otherwise relating to the Security Assets.

24 Further Assurance

- 24.1 Subject to the terms of this Agreement and the Security Principles, the Chargor shall promptly do all such acts or execute all such documents (including assignments, assignments, transfers, mortgages, charges, pledges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- (i) to perfect the Security created or intended to be created under or evidenced by this Agreement (which may include the execution of a mortgage, charge, assignment, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or

for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Finance Documents or by law; and/or (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.

- 24.2 If the Chargor sells, transfers, leases or otherwise disposes or purport to agree to dispose of all or any of the Pledged Asset in breach of Clause 6.5 or Clause 6.6 or any consent issued in respect of such sale, transfer, lease or disposal or agreement to dispose does not meet the requirements of clause 6.6, the Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, pledges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)).
- 24.3 Subject to the terms of this Agreement and the Security Principles, the Chargor shall take all such action as is available to it (including making and assisting with all filings, applications and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Agreement.
- 24.4 The Chargor must, at its own expense, take whatever action the Security Agent or a Receiver may require for:
- 24.4.1 complying with the Security Agent's obligations to respond to requests for information under section 36 and/or section 107 of the MTA 2023 (and the Chargor hereby consents to the disclosure by the Security Agent of all such information to any entitled person); or
- 24.4.2 responding to requests for information, documents and evidence from or on behalf of a debtor (as the term "debtor" is defined in section 41(1) of the MTA 2023) as a result of the operation of section 15 of the MTA 2023 (and the Chargor hereby consents to the disclosure by the Security Agent of all such information, documents and evidence to any Counterparty or relevant account bank, as the case may be).

25 Mandate and Attorney

25.1 Appointment

The Chargor by way of security irrevocably appoints the Security Agent, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at any time after the occurrence of an Event of Default that is continuing and in such manner as the attorney thinks fit:

- 25.1.1 to do anything which the Chargor is obliged to do under this Agreement or any Finance Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions,

filings and registrations as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)); and

- 25.1.2 to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets under this Agreement or any other Finance Document or under any applicable law.

25.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 25.1 (*Appointment*).

26 Miscellaneous

26.1 Continuing Security

Subject to Clause 27 (*Discharge of Security*), the Security Interests created by or pursuant to this Agreement is a continuing security and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part.

26.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any Obligor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Chargor and any Obligor and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

26.3 Waiver of defences

Neither the obligations of the Chargor under this Agreement nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Secured Party) including:

- 26.3.1 any time, waiver or consent granted to, or composition with, the Chargor, Obligor or other person;
- 26.3.2 the release of the Chargor, any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

- 26.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor, Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 26.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor, Obligor or any other person;
- 26.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 26.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 26.3.7 any insolvency or similar proceedings.

26.4 **Chargor intent**

Without prejudice to the generality of Clause 26.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

26.5 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Agreement. This waiver applies irrespective of any law or any provision of this Agreement or any other Finance Document to the contrary.

26.6 **Appropriations**

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might

give rise to Secured Obligations have terminated, each Secured Party (or any trustee or agent on its behalf) may:

- 26.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall be entitled to the benefit of the same; and
- 26.6.2 hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Agreement.

26.7 **Deferral of Chargor's rights**

Until all amounts which may be or become payable by the Obligor or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Agreement of any other the Finance Documents:

- 26.7.1 to be indemnified by the Chargor or an Obligor;
- 26.7.2 to claim any contribution from any other Chargor or guarantor of any Obligor's obligations under the Finance Documents;
- 26.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- 26.7.4 to bring legal or other proceedings for an order requiring any Obligor or the Chargor to make any payment, or perform any obligation, in respect of which the Obligor or the Chargor had given a guarantee, undertaking or indemnity;
- 26.7.5 to exercise any right of set-off against any Obligor or the Chargor; and/or
- 26.7.6 to claim or prove as a creditor of any Obligor or the Chargor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligor or the other Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or

transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 20 (*Application of Enforcement Proceeds*).

26.8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

26.9 Payments

All payments by the Chargor under this Agreement shall be made to such account, with such financial institution and in such other manner as the Security Agent may direct.

26.10 Continuation of accounts

26.10.1 At any time after a Secured Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of the Chargor, that Secured Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).

26.10.2 If that Secured Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Chargor to that Secured Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

26.11 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

27 Discharge of Security

27.1 Subject to Clause 27.3, if the Security Agent is satisfied that all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Obligations have terminated, the Security Agent shall at the request and cost of the Chargors promptly take any action, including preparing and delivering all documents and instruments (including any termination or release letter or deed) and performing all acts or deeds (including returning title documents, share certificates, related share transfer forms and any other document belonging to such Chargor) which are, in each case, necessary to release, reassign and/or discharge (as appropriate) the Security Assets from the

Security Interests, without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

- 27.2 Subject to clause 20.4(*Disposals*) of the Interim Facility Agreement, the Security Agent shall at the request and cost of the Chargor (and without any consent, sanction, authority or further confirmation from any other Secured Party) promptly take any action, including preparing and delivering all documents and instruments (including any termination or release letter or deed) and performing all acts or deeds (including returning title documents, share certificates, related share transfer forms and any other document belonging to the Chargor) which are, in each case, necessary to release, reassign and/or discharge (as appropriate) any Security Asset from the Security Interests and provide a certificate of non-crystallisation of the floating charge created under this Agreement (insofar as that charge has not crystallised).
- 27.3 If the Security Agent (acting reasonably) considers that any amount paid or credited to any Secured Party under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.

28 Third Party Rights

- 28.1 Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Third Parties Act or otherwise to enforce or enjoy the benefit of any term of any Finance Document.
- 28.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary any Finance Document at any time.
- 28.3 Any Receiver or Delegate may, subject to this Clause 28 and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

29 Remedies, Waivers and Determinations

- 29.1 No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Secured Party shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

- 29.2 Any certification or determination by the Security Agent or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

30 Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

31 Notices

Any communication to be made under or in connection with this Agreement shall, subject to the provisions of the MTA 2023 in relation to notices, be made in accordance with Clause 32 (*Notices*) of the Interim Facility Agreement.

32 Counterparts

- 32.1 Where executed in counterparts:

32.1.1 this Agreement shall not take effect until all of the counterparts have been delivered; and

32.1.2 delivery will take place when the date of delivery is agreed between the Parties after execution of this Agreement as evidenced by the date inserted at the start of this Agreement.

- 32.2 The Chargor hereby authorises the Security Agent or its agent or its nominee to insert the date of delivery of this Agreement at the start of this Agreement.

33 Governing Law and Jurisdiction

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

- 33.2 The Scottish courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

- 33.3 The Parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Agreement will argue to the contrary.

33.4 Notwithstanding Clause 33.2 and 33.3, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF these presents consisting of this and the preceding 38 pages and the Schedule are executed as follows, and, if executed in counterpart in terms of the Legal Writings (Counterpart and Delivery) (Scotland) Act 2015, are delivered for the purposes of that Act on the date set out on page 1 of this Agreement:

CHARGOR

SUBSCRIBED for and on behalf of
MUSTANG ENGINEERING LIMITED
acting by an appointed attorney pursuant to a
Power of Attorney dated 19 August 2025

.....
signature of attorney

.....
full name of above (print)

.....
date of signing

.....
place of signing

SECURITY AGENT

SUBSCRIBED for and on behalf of
GLAS TRUST CORPORATION LIMITED
(as Security Agent)

[Redacted Signature]

signature of [Redacted Name]

[Redacted Name]

full name of above (print)

28 August 2025

date of signing

[Redacted Place]

place of signing

**THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING SECURITY AGREEMENT BETWEEN
MUSTANG ENGINEERING LIMITED AND GLAS TRUST CORPORATION LIMITED (AS SECURITY
AGENT)**

**PART 1
BANK ACCOUNTS**

None.

9. Please acknowledge receipt of this notice of assignment and confirm that:

- (a) you will pay all moneys in respect of each Assigned Agreement as directed by or pursuant to this notice of assignment;
- (b) you have not received any other notice of any assignment of an Assigned Agreement;
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Assigned Agreement; and
- (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at [____], marked for the attention of [____].

[Assignor]

By:

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (d) of paragraph 9 of the notice of assignment.

[Party to the Agreement]

By:

Dated:

THE SCHEDULE

Assigned Agreements

[Insert relevant details]

Part 3 Form of notice of assignation of Insurances

To: [Contract Counterparty]

Copy: [Security Agent] (as Security Agent as defined below)

Date: []

Security Agreement dated [] between [Chargor] [address] (the "Assignor") and [Security Agent] [address] (the "Security Agent") (the "Security Agreement")

1. We refer to the Security Agreement.
2. We give notice that by an assignation contained in the Security Agreement the Assignor assigned to the Security Agent by way of security all its right, title and interest from time to time in and to all moneys or proceeds paid or payable arising from the insurances, details of which are set out in the attached schedule (the "**Insurances**"), excluding moneys or proceeds paid or payable in respect of any third party liability Insurance.
3. We confirm that:
 - (a) we will remain liable under such contract of insurance to perform all the obligations assumed by us under the relevant contract(s) of Insurance;
 - (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of such contract(s) of Insurance; and
 - (c) unless and until you receive written notice from the Security Agent stating that the security has become enforceable, we will remain entitled to exercise all our rights, powers and discretions under such contract(s) of Insurance
4. All moneys payable by you to the Assignor in respect of the Insurances shall continue to be paid as directed by the Assignor, unless and until you receive written notice from the Security Agent stating that the security has become enforceable, in which event you should make all future payments (other than in respect of any third party liability Insurance) as then directed by the Security Agent and all the rights, powers and discretions we have under the contract of insurance (other than any contract of third party liability Insurance) will become exercisable by, and notices must be given to, the Security Agent (or as it directs).
5. We instruct you to:
 - (a) notify the Security Agent if any renewal, premium or other sum payable by the Assignor in respect of the Insurances is not paid when due;
 - (b) notify the Security Agent if the Assignor reduces the cover under the Insurances or if any risk insured against under the Insurances is restricted or cancelled; and

(c) if the Insurances are not renewed, cover under the Insurances is reduced or any risk insured against under the Insurances is restricted or cancelled, to provide insurances of the assets of the Assignor reasonably required by the Security Agent and upon payment of an additional premium by the Security Agent.

6. This authority and instruction is irrevocable without the prior written consent of the Security Agent.
7. Please endorse the existence of this security on the relevant contracts of Insurances and list the Security Agent as loss payee.
8. This letter and any non-contractual obligations arising out of or in connection with it are governed by the laws of Scotland. The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment).
9. Please acknowledge receipt of this notice of assignment and confirm that:
 - (a) you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice of assignment;
 - (b) you have not received any other notice of any assignment of any Insurance or of any other interest of any third party in any Insurance; and
 - (c) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at [____], marked for the attention of [_____].

[Assignor]

By:

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (c) of paragraph 9 of the notice of assignment.

[The Insurers]

By:

Dated:

THE SCHEDULE

Insurances assigned

[Insert relevant details]

PART 4

MATERIAL INTELLECTUAL PROPERTY

None.