

These are the Standard Conditions of Grant referred to in the foregoing offer on behalf of the Scottish Ministers to the said

ANNEX 1 – Standard Conditions of Grant for Repair of Historic Buildings and Monuments

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1 Definitions

Unless the context otherwise requires, in the Offer and the Standard Conditions of Grant the following expressions shall have the following meanings:-

- 1.1** “Completion Date” means the latest of the following dates –
- (a) the date of receipt by Scottish Ministers of the Grantee’s Professional Advisor’s Certificate of Practical Completion of the Approved Scheme; or
 - (b) the date of Practical Completion of the Approved Scheme in accordance with condition 10 hereof.
- 1.2** ”Data” means in relation to the procurement, completion and/or operation of the Project, all data, text, drawings, diagrams, images or sounds, know-how and other information recorded in any electronic or tangible medium, created by or on behalf of the Grantee (or created by a third party commissioned by the Grantee), in which relevant intellectual property rights are either held by the Grantee or used by the Grantee under licence with the right to permit use by third parties.
- 1.3** “Defects Liability Period” means the defects liability period to be provided for in the contract for the execution of the Approved Scheme which shall not be less than one year.
- 1.4** “Environmental Laws” means all statutes and subordinate legislation, all European Community regulations and directives all common law and other national or local laws, all regulations, orders, guidance notes, codes of practice, circulars, by-laws or directions and all judgements, orders, instructions or awards of any court or competent authority insofar as any of the above relate to health and safety or the environment (the term “environment” having the same definition as stated in Section 1(1) of the Environmental Protection Act 1990), all as amended or re-enacted from time to time;
- 1.5** “Grant Eligible Costs” means that proportion of the cost of implementing the Approved Scheme as is deemed eligible for grant assistance in terms of section 4 of the Historic Buildings and Ancient Monuments Act 1953.
- 1.6** “Schedule of Approved Scheme Funding” means the schedule of Approved Scheme Funding annexed and executed as relative hereto.
- 1.7** “Scottish Ministers” means Scottish Ministers acting through Historic Scotland, Longmore House, Salisbury Place, Edinburgh EH9 1SH.
- 1.8** “the 1970 Act” means the Conveyancing and Feudal Reform (Scotland) Act 1970 as amended.

- 1.9** "the Approved Scheme" means the scheme of work to repair the Subjects approved by the Scottish Ministers as specified and detailed in the Approved Scheme Specification.
- 1.10** "the Approved Scheme Specification" means the documents and plans referred to and specified in the Schedule annexed hereto and such other documents and plans as may be approved by the Scottish Ministers in addition thereto or in substitution therefor from time to time.
- 1.11** "the Control Period" means the period of fifteen years, commencing on the date of the Offer.
- 1.12** "Constitutive Deed" means a valid deed creating a conservation burden in terms of Section 38 of the Title Conditions (Scotland) Act 2003 in favour of the Scottish Ministers, which Constitutive Deed shall be in the terms of the draft Constitutive Deed (with the relevant information inserted therein) annexed and executed as relative hereto.
- 1.13** "the Grant" means the sum or sums advanced or to be advanced by the Scottish Ministers to the Grantee in terms of section 4 of the Historic Buildings and Ancient Monuments Act 1953 as calculated in accordance with conditions 3 and 4 hereof.
- 1.14** "the Offer" means the foregoing offer to which these Standard Conditions of Grant are attached.
- 1.15** "the Professional Advisor" means a suitably accredited professional in building conservation appointed by the Grantee to manage and oversee the carrying out of the Approved Scheme.
- 1.16** "the Standard Conditions" means the standard conditions contained in Schedule 3 to the 1970 Act.
- 1.17** "the Standard Security" means a valid Standard Security (or if required by the Scottish Ministers and where the title to the Subjects is constituted by two or more separate recorded/registered titles, separate Standard Securities in respect of each such title) to be granted by the Grantee in favour of Scottish Ministers over their interest in the Subjects in security of all sums due or to become due by the Grantee to the Scottish Ministers and of the fulfilment of the Grantee's obligations in terms of the Standard Conditions of Grant, which Standard Security shall be in the form of the draft Standard Security (with the relevant information inserted therein) annexed and executed as relative hereto.
- 1.18** "Use" means access to and/or copying by Scottish Ministers of Data in whole or in part without payment in whatever medium and whenever required for Scottish Ministers' own records in relation to the Project or for such promotional or other purposes as Scottish Ministers' may consider to be appropriate including but not limited to Scottish Ministers' use on website.

1.19 “validly executed” means executed in a manner prescribed to be valid for the purposes of Sections 3 and/or 7 and/or Schedule 2 of the Requirements of Writing (Scotland) Act 1995.

2 Preconditions

2.1 The Offer is entirely conditional upon the Grantee exhibiting to Scottish Ministers:

- (a) copies of all building warrants, planning and listed building consents and all other consents and approvals required by the Grantee in connection with the carrying out of the Approved Scheme;
- (b) a letter from H M Revenue and Customs detailing to what extent, if any, value added tax is chargeable on the works and fees carried out under the Approved Scheme;
- (c) costed profile and programme showing the eligible works to be carried out under the Approved Scheme on a monthly basis.
- (d) evidence satisfactory to Scottish Ministers that the Grantee has available sufficient finance (taking into account the Grant) to enable the Grantee to complete the Approved Scheme in terms of the Offer and Standard Conditions of Grant;
- (e) a cashflow statement regarding the financing of the Approved Scheme in terms satisfactory to the Scottish Ministers.

2.2 In the event that the preconditions contained in condition 2.1 hereof have not been purified within one month of the date of the Offer Scottish Ministers shall be entitled to rescind the Offer.

2.3 The Grantee shall not commence works under the Approved Scheme until Scottish Ministers give their permission in writing.

2.4 In the event that condition 2.3 hereof is not complied with Scottish Ministers shall be entitled to rescind the Offer.

3 The Grant

3.1 The Grantee confirms that the Approved Scheme is to be funded as shown on the annexed Schedule of Approved Scheme Funding. In the event that there is a variation to the Approved Scheme Funding, the Grantee shall intimate to Scottish Ministers the nature and amount of such variation within 7 days of receiving confirmation of the variation from the relevant party/parties. The Scottish Ministers shall be entitled to reduce the amount

of the Grant by such amount as they may consider appropriate, but in any event by an amount not exceeding the amount of such variation to the Approved Scheme Funding. The Scottish Ministers shall be entitled to rescind the offer of Grant at their discretion in the event of a material change to the Approved Scheme funding.

3.2 Where the Approved Scheme funding includes Sales Income the Grantee is obliged to sell the Subjects, or part thereof, either by private bargain or by exposure to sale, and in either event it shall be the duty of the Grantee to advertise the sale and to take all reasonable steps to ensure that the price at which all or any of the Subjects are sold is the best that can be reasonably obtained having regard to the Conditions of the Grant.

3.3 The Grantee shall advise Scottish Ministers forthwith of any material variance between the costed profile provided for in condition 2.1(c) hereof and the actual costed profile. The Scottish Ministers shall be entitled to reduce the amount of the Grant by such amount as they consider appropriate but in any event not exceeding any reduction in such costed profile.

4 Procedure for Release of the Grant

4.1 Scottish Ministers shall make payment of the Grant provided the Grantee:

- (a) submits a valuation of eligible works under the Approved Scheme on a monthly basis certified by the Grantee's Professional Advisor disclosing the works carried out under the Approved Scheme;
- (b) submits said certified valuation along with completed Grant payment request form ARCH5 within 21 days of the valuation date;
- (c) on 31 March annually, or at such other date as the Scottish Ministers may direct, carries out a valuation in the same manner as condition 4.1(a) and submits said certified valuation in accordance with condition 4.1(b).

4.2 Scottish Ministers shall pay one half of the retention monies on the later of (i) Practical Completion and (ii) the submission of final accounts in respect of the Approved Scheme to Scottish Ministers, and half at the expiry of the Defects Liability Period **DECLARING THAT** in the event that the said final accounts have not been received by the Scottish Ministers on or before the Final Account Deadline Scottish Ministers shall be under no obligation to release the retention monies to the Grantee.]

4.3 Scottish Ministers reserve the right to make their own valuation of Grant Eligible Costs in order to verify the valuations contained in the form ARCH5 and may adjust the amount of any instalment of Grant to be paid in accordance with such valuation.

- 4.4 In no event shall Scottish Ministers be obliged (to release any part of or instalment of the Grant (other than retention monies deducted from instalments in terms of condition 4.2) the payment of which is requested if the grant payment request form ARCH5 is received on or after the Final Account Deadline, subject to the terms of condition 9 hereof
- 4.5 It is not intended by the Offer and the acceptance to follow thereon to confer any benefit on any third party.

5. Title conditions and delivery of documentation

The Grantee shall prior to the release by Scottish Ministers to the Grantee of any part or instalment of the Grant:

- 5.1 deliver to Scottish Ministers a validly executed Standard Security together with particulars of execution and the Grantee's solicitor's cheque for the pre-payment of the registration of recording dues of the Standard Security in the Land Register of Scotland or General Register of Sasines, as applicable.
- 5.2 exhibit to Scottish Ministers a valid marketable title to their interest in the Subjects in the name of the Grantee with either a Land Certificate containing no exclusion of indemnity and an up to date Form 12/13 report, or a prescriptive progress of title deeds together with the appropriate burden writs and clear searches and interim reports updated as reasonably required by Scottish Ministers, showing no entries adverse to the Grantee's interest, the cost of such reports being the responsibility of the Grantee and all showing no title conditions or encumbrances adverse to the interests of the Scottish Ministers as prospective holders of the Standard Security.
- 5.3 where the Grantee is a company exhibit to Scottish Ministers clear up to date Searches in the Register of Charges and company file of the Grantee which Searches will confirm that there is no notice regarding the appointment of a receiver, administrator or liquidator, winding-up, striking-off affecting the Grantee and the full names of the present directors and secretary of the Grantee.
- 5.4 deliver a letter of obligation from the Grantee's solicitors, in terms to be adjusted incorporating the Grantee's solicitor's obligation in respect of clearance of the records of any deed, decree, or diligence (other than such as may be created by the Scottish Ministers) which may be recorded in the Property and Personal Registers or to which effect may be given in the Land Register during the period of 14 days after the date of delivery of the Standard Security to the Scottish Ministers, and which adversely affects the validity of the Standard Security and an undertaking to exhibit within a year from the date of delivery of the Standard Security the searches in the Property and Personal Registers, disclosing the recording of the Standard Security (provided the Standard Security is presented for recording within a period of 14 days after the date of delivery to the Scottish Ministers).

- 5.5** where the Grantee is a company deliver a letter of obligation on behalf of the Grantee undertaking to exhibit clear searches in the Register of Charges and company file of the Grantee brought down to a date at least twenty two days after the date of recording of the Standard Security in favour of the Scottish Ministers, disclosing no notices prejudicial to the granting and recording of the said Standard Security and confirming that there is no notice regarding the appointment of a receiver, administrator or liquidator, winding-up, striking off or change of name affecting the Grantee, again within one year of the date of the delivery of the Standard Security.
- 5.6** where the Grantee is the proprietor of the subjects, deliver a validly executed Constitutive Deed together with a cheque for the recording dues thereof creating conservation burdens over the Subjects in favour of the Scottish Ministers obliging the Grantee and the Grantee's successors in title for a period of fifteen years from the date of the recording of the Constitutive Deed to keep the Subjects in good repair and condition to the reasonable satisfaction of the Scottish Ministers, not to alter, extend or demolish the Subjects or part thereof without the prior written approval of the Scottish Ministers and to allow the Scottish Ministers or their representatives on giving reasonable notice in writing access to the Subjects for the purpose of inspection of the state of repair and condition of the Subjects.
- 5.7** in the event that the Grantee is a tenant under a lease of more than 20 years, procure that the proprietor of the Subjects grants a Constitutive Deed in terms of Clause 5.6 above.

6 Expenses

The Grantee shall pay to Scottish Ministers within 14 days of demand all costs, charges and expenses incurred by Scottish Ministers in the enforcement of the Standard Conditions of Grant always accepting that Scottish Ministers and the Grantee shall each be responsible for their own costs, charges and expenses incurred in connection with the preparation of the foregoing offer of Grant.

7 Approved Scheme

- 7.1** The Grantee shall procure that on or before the Completion Date (as extended in terms of Condition 9.3) the Approved Scheme shall be completed in a good and workmanlike manner using only good quality materials and to a standard acceptable to Scottish Ministers; declaring that if any works within the Approved Scheme are not carried out, or not so completed, the whole or part of the Grant already paid shall be recoverable.
- 7.2** The Grantee shall ensure that the Approved Scheme is completed in accordance with (i) all Environmental Laws and (ii) all the warrants, consents, approvals and others specified in condition 2.1(a) hereof.
- 7.3** The Grantee shall notify Scottish Ministers of any proposed variations to the Approved Scheme (including any variations to specifications of materials or

techniques) immediately for approval, which approval may be given or not in the absolute discretion of Scottish Ministers.

- 7.4** The Grantee shall notify Scottish Ministers of any anticipated change in the date of completion of the Project or of the pattern of claims for grant over the duration of the Project.
- 7.5** The Grantee shall appoint a Professional Advisor to supervise the carrying out of the Approved Scheme.
- 7.6** The Grantee shall prepare and submit to Scottish Ministers monthly reports on the progress (both physical and financial) of the Approved Scheme and also of the Project (including evidence of the costs incurred) in a form to be agreed with Scottish Ministers and provide them with such information as they may require to enable them to ascertain that the Standard Conditions of Grant are being fully observed.
- 7.7** The Grantee shall ensure that adequate works insurance cover is arranged to protect the historic fabric of the Subjects during the period when the works comprising the Approved Scheme are being carried out.

8 Inspection

- 8.1** The Grantee shall during the period of the carrying out of the Approved Scheme permit Scottish Ministers' representatives to have access to the Subjects and the Approved Scheme at all reasonable times for the purpose of inspection of the state and progress of the Approved Scheme provided that Scottish Ministers comply with all such safety precautions as may be in force from time to time at the Subjects; and in the event of Scottish Ministers ascertaining that a failure to comply with the Standard Conditions of Grant has occurred Scottish Ministers shall be entitled, but not bound, to give notice of the same to the Grantee who shall take such action as may be necessary to remedy such failure. **DECLARING THAT** the exercise or non-exercise of the foregoing rights by Scottish Ministers shall not prejudice any right Scottish Ministers may have against the Grantee in terms of the Standard Conditions of Grant, and Scottish Ministers shall not be entitled to issue any directions to any contractor or their representative in respect of the Approved Scheme, written or otherwise.
- 8.2** Scottish Ministers shall be entitled to receive from the Grantee sufficient information in respect of progress and execution of the Approved Scheme in order to enable them to assess whether there have been or are likely to be material departures from the Approved Scheme Specification.

9 Timescale for Works

Final Account Deadline

- 9.1** If the Completion Date has not occurred on or before the Final Account Deadline or, on or before the expiry of the extension to the Final Account Deadline in terms of Condition 9.2 the Grantee shall repay to Scottish Ministers the Grant or such amount of the Grant as Scottish Ministers think fit in their absolute discretion within a period of 21 days of demand.

Extension of Time

- 9.2** In the event of any delays in completion of the Approved Scheme attributable to the following factors –
- (a) exceptionally inclement weather;
 - (b) civil commotion or labour disputes;
 - (c) shortage of materials;
 - (d) any other matter which in the reasonable opinion of Scottish Ministers is beyond the control of the Grantee or the Approved Scheme contractor;

the Grantee shall give written notice to Scottish Ministers and the Grantee shall be allowed such extension to the Completion Date and the Final Account Deadline as is reasonable in the circumstances.

10 Completion of Approved Scheme

“Practical Completion”

- 10.1** In this Condition –

“Practical Completion” of the Approved Scheme means completion of the Approved Scheme fully in accordance with the foregoing offer of Grant except for such items of incomplete work or defects which, when taken as a whole, do not constitute a material failure by the Grantee to complete the Approved Scheme in accordance with the Conditions of Grant.

- 10.2** The Grantee shall give Scottish Ministers not less than 15 business days’ notice of the date of the Grantee’s Professional Advisor’s initial final inspection of the Approved Scheme and reasonable prior notice of any subsequent inspection. The Grantee shall procure that the Grantee’s Professional Advisor is bound to have regard to any reasonable representations by Scottish Ministers in regard to the issue by the Grantee’s Professional Advisor of a Certificate of Practical Completion under the Approved Scheme Contract.

- 10.3** In the event of a dispute between the Grantee and Scottish Ministers as to :-

- (a) whether or not a notice under Condition 10.2 has been properly issued, or
- (b) the respect in which the Approved Scheme has not reached Practical Completion;

either party shall be entitled forthwith to refer such dispute to an independent architect agreed between the parties, or in the absence of agreement to be appointed by the President of the Royal Incorporation of Architects in Scotland on the application of either party. Such architect shall act as an expert, not an arbiter, and his decision shall be final on the parties for the purposes of this condition only.

11 Publicity

- 11.1** The Grantee shall display at or near the property and in a prominent position for the duration of the Approved Scheme a sign supplied by Scottish Ministers publicising the support given by Historic Scotland.
- 11.2** Scottish Ministers will be entitled to publicise the property in any publication or on the website of Historic Scotland or Scottish Ministers.
- 11.3** The Grantee shall ensure, as far as is possible and reasonable, that any press release, statement or publicity issued by the Grantee relating to the Subjects shall make mention of the Grant from Scottish Ministers.
- 11.4** The Grantee shall on completion of the Approved Scheme supply colour photographs measuring not less than 25 centimetres by 20 centimetres or digital images in a jpeg format or such other format as may be reasonably specified by Scottish Ministers from time to time of the Subjects to Scottish Ministers, the cost to be borne by the Grantee. The photographic material shall be of publication quality and shall include all elevations of the Subjects including a photograph of the Subjects.

12 Repair and Maintenance

- 12.1** During the Control Period:
 - (a) the Subjects shall be repaired and maintained so as to keep the Subjects in good repair and condition to the reasonable satisfaction of the Scottish Ministers who in determining the standard of repair and maintenance to be undertaken shall have regard to the historic and architectural importance of the Subjects as part of the Nation's heritage;
 - (b) that on completion of the repair work, the fabric of the building will be inspected at 5 yearly intervals by a registered architect or qualified buildings' surveyor and that a copy of the inspection report will be submitted to Historic Scotland;

- (c) the Subjects or part thereof shall not be altered, extended or demolished without the prior written approval of the Scottish Ministers;
- (d) the Scottish Ministers or their representatives shall on being given at least 48 hours notice be allowed access to the Subjects for the purpose of inspection of the state of repair and condition of the Subjects;

13 Non Performance

In the event that the Scottish Ministers consider that the Grantee has failed to fulfil or has contravened its obligations in terms of Condition 12 of this Agreement Scottish Ministers shall be entitled to serve a notice on the Grantee detailing the action required to be taken by the Grantee in order to fulfil its obligations and allowing such period as Scottish Ministers may consider reasonable in the circumstances in which to comply with the requirements of the notice.

14 Public Access

- 14.1** The Grantee must arrange for access to the Subjects during the Control Period as set out in the Offer.
- 14.2** An annual return must be submitted to Historic Scotland during the Control Period giving information on access, publicity and where appropriate, opening arrangements including number of visitors to the property.

15 Intellectual Property Rights

- 15.1** The Grantee hereby grants to Scottish Ministers a perpetual non-exclusive royalty free licence (and the right to sub-licence others) to make or allow to make Use of all data prepared or under any IP Rights in such data prepared or developed pursuant to the Offer and the Standard Condition of Grant as they think fit. The Grantee warrants that it has or will have the right to grant such a licence and that no Use of the Data will infringe the rights of third parties.
- 15.2** The Grantee shall promptly provide all copies of all Data prepared or developed pursuant to the Offer and the Standard Condition of Grant and when requested by Scottish Ministers.
- 15.3** The Grantee warrants that the Data referred to in condition 15.1 hereof is not confidential information.
- 15.4** All IP Rights in such Data prepared or supplied by Scottish Ministers to the Grantee, their professional advisors or contractors shall remain the property of Scottish Ministers, and Scottish Ministers grant a personal non-transferable licence to the Grantee to use the same for the protection, preservation or conservation of the Site only but not further or otherwise.

16 Insurance

- 16.1** The Grantee shall at its own expense insure and keep insured the Subjects or procure that the Subjects are kept so insured with a reputable Insurance Company for the Control Period against fire, civil commotion, explosion, aircraft, flood, storm, tempest, lightning, heave, subsidence, public liability and such other normal usual risks and contingencies (the risks of storm, tempest, heave and subsidence to be covered once enough repairs have been carried out to the Subjects to render them in a condition where cover for such risks is reasonably obtainable by the Grantee) as shall from time to time be appropriate to a minimum of the full reinstatement cost from time to time including architects' and other professional fees and demolition and site clearance charges and value added tax on any of the foregoing such reinstatement cost to be satisfactory to Scottish Ministers acting reasonably.
- 16.2** the Grantee shall exhibit to Scottish Ministers within 14 days of demand a copy of the insurance policy and the current certificate of insurance in respect of the Subjects.

17 Disposal of Subjects

The Grantee shall notify Scottish Ministers immediately of any intended disposal of an entire or part interest in the Subjects which is due to take place within 10 years of the date of the Offer. "Disposal" for these purposes includes sale, or exchange, or lease for a term of not less than 21 years, or gift other than by will.

18 Notification of Recoverability of the Grant

- 18.1** The Grant to be made by Scottish Ministers to the Grantee in terms of section 4 of the Historic Buildings and Monuments Act 1953 is made subject to the Offer and the Standard Conditions of Grant.
- 18.2** Scottish Ministers hereby notify the Grantee in terms of Section 4A(1) of the Historic Buildings and Ancient Monuments Act 1953 as amended that the Scottish Ministers are entitled in terms of Section 4A of the Historic Buildings and Ancient Monuments Act 1953:
- (a) to recover the Grant or such amount of the Grant as Scottish Ministers think fit at any time if the Grantee fails to comply with or contravenes the Standard Conditions of Grant.
 - (b) to recover the proportion of the Grant made or such amount of such proportion of the Grant as Scottish Ministers thinks fit at any time during a period of ten years after the date on which the grant of such proportion was made if one or more of the following events occurs;

- (i) the Grantee disposes of their interest in the Subjects or part thereof by way of sale, exchange, assignation, lease or sub-lease for a term of not less than 21 years.
- (ii) any donee of the Grantee, becoming entitled to part of the Subjects whether directly or indirectly (but otherwise than by will) disposes of the Subjects or part thereof by way of sale, exchange, assignation, lease or sub-lease for a term of not less than 21 years.
- (iii) any donee of the Grantee, becoming entitled to the whole of the Subjects whether directly or indirectly (but otherwise than by will) disposes of the Subjects or part thereof by way of sale, exchange, assignation, lease or sub-lease for a term of not less than 21 years.

18.3 Scottish Ministers notify the Grantee that on the occurrence of an event stipulated in condition 18.2(b)(ii) Scottish Ministers shall be entitled to recover the Grant or such amount of the Grant as Scottish Ministers think fit from the Grantee and that on the occurrence of an event stipulated in condition 18.2(b)(iii) Scottish Ministers shall be entitled to recover the Grant, or such amount of the Grant as Scottish Ministers think fit from the donee making such a disposal.

18.4 Scottish Ministers shall not be entitled to recover, whether following a breach of one or more of the Standard Conditions of Grant or disposal of several parts of the Subjects, amounts in aggregate exceeding the amount of the Grant.

18.5 The provisions of this condition are without prejudice to Scottish Ministers' right to require repayment of the Grant or part thereof in terms of the Historic Buildings and Ancient Monuments Act 1953 or any other agreement entered into between the parties.

19 Repayment of Grant

19.1 Without prejudice to Scottish Ministers' right to recover all or part of the Grant in terms of the Historic Buildings and Ancient Monuments Act 1953 the Grantee shall repay to Scottish Ministers all of or such part of the Grant as may be required by the Scottish Ministers within 21 days of demand following upon one or more of the following events:

- (a) the Approved Scheme has not been completed on or before the Completion Date as extended in terms of condition 9.2 hereof;
- (b) the Grantee has failed to fulfil or has contravened its obligations in terms of Condition 12 hereof and has failed to implement the requirements of a notice served on the Grantee by the Scottish

Ministers in terms of condition 13 hereof within the period therein allowed;

- (c) the Grantee has failed to fulfil its obligations in terms of the Offer or the Standard Conditions of Grant;
- (d) the Grantee is sequestrated, becomes apparently insolvent or enters into a trust deed for behoof of its creditors or being a company the Grantee goes into liquidation whether voluntary or compulsory (otherwise than a voluntary liquidation of a solvent company for the purposes of amalgamation or reconstruction) or appoints a receiver or has a receiver appointed or has an administration order made;
- (e) if the Grantee, where it is a company but not a public company, changes its control (as defined by Section 416 of the Income and Corporation Taxes Act 1988) including any single person or group of persons acting in concert (as defined by the City Code on Takeovers and Mergers).

19.2 The events specified in condition 19.1 hereof shall in addition to and without prejudice to the circumstances specified in the 1970 Act and Schedule 3 thereof be deemed to be circumstances in which the Grantee is in default entitling Scottish Ministers to exercise their remedies as heritable creditor in terms of the 1970 Act.

19.3 A certificate by Scottish Ministers as to the amount of the Grant due to be repaid shall in the absence of manifest error be conclusive evidence in any legal proceedings of the sum to be repaid by the Grantee to Scottish Ministers.

20 Notices

Any notice under the Standard Conditions of Grant shall be in writing. Any notice to the Scottish Ministers shall be deemed to be effectively given if it is sent through the post by recorded delivery to Historic Scotland, Longmore House, Salisbury Place, Edinburgh EH9 1SH or otherwise as directed in writing by Scottish Ministers. Any notice to the Grantee shall be deemed to be effectively given if it is sent through the post by recorded delivery to the Grantee at the Subjects or at the Grantee's registered office. Any such notice served by post shall be deemed to have been served at the expiration of 48 hours after it has been posted and in proving service of said notice it shall be sufficient to prove that the envelope containing the same was properly addressed, stamped and posted and any notice served by facsimile shall be deemed to have been served when received legibly and in full by the recipient.

21 Arbitration

Without prejudice to any specific provision herein concerning reference to arbitration in the event of any dispute or disagreement arising as to the interpretation of any provision of the Standard Conditions of Grant the same shall be referred to the

decision of a single arbiter mutually agreed for that purpose or, failing such agreement, to be appointed at the request of either party by the President of the Law Society of Scotland and the said arbiter will issue his proposed determination in draft at least 21 days before giving his final decision. The arbiter shall be free to appoint a technical assessor (of such profession as the arbiter considers appropriate) if he considers it appropriate to do so having regard to the nature of the dispute.

22 Interest

The Grantee shall pay to Scottish Ministers interest on any sum which becomes due and payable to the Scottish Ministers at a rate of 4 per centum above the base lending rate from time to time of The Royal Bank of Scotland plc from the date on which such sum becomes due and payable until such sum is paid to Scottish Ministers.

23 Registration

Scottish Ministers and the Grantee consent to registration of the Offer, the schedules annexed thereto and these presents and any certificate before mentioned for preservation and execution.

THIS IS THE DRAFT CONSTITUTIVE DEED REFERRED TO IN THE FOREGOING
STANDARD CONDITIONS OF GRANT ANNEXED TO THE OFFER ON BEHALF OF
SCOTTISH MINISTERS DATED

CONSTITUTIVE DEED

by

in favour of

THE SCOTTISH MINISTERS

Subjects:

2007
Reference

DRAFT

MORTON FRASER
SOLICITORS

FAS4958

I/WE, [*Enter details of the Grantee(s)*], hereby grant in favour of THE SCOTTISH MINISTERS the following conservation burdens over ALL and WHOLE [*Enter property description*] Together with [*Enter details from last Disposition*] which subjects are herein referred to as (“the Subjects”); I/We bind my/ourselves and my/our successors as owners of the Subjects to keep the Subjects in good repair and condition to the reasonable satisfaction of The Scottish Ministers and not to alter, extend or demolish the Subjects or part thereof without the prior written approval of The Scottish Ministers and to allow The Scottish Ministers or their representatives on giving reasonable prior notice in writing access to the Subjects for the purpose of inspection of the state of repair and condition of the Subjects and that for a period of 15 years from the date of the recording of this Deed: IN WITNESS WHEREOF

THIS IS THE DRAFT STANDARD SECURITY REFERRED TO IN THE FOREGOING
STANDARD CONDITIONS OF GRANT ANNEXED TO THE OFFER ON BEHALF OF
SCOTTISH MINISTERS DATED []

STANDARD SECURITY

by

[]

in favour of

THE SCOTTISH MINISTERS

Subjects: []

2005
Reference []

DRAFT

MORTON FRASER
SOLICITORS

I/WE, [*Enter details of the Grantee(s)*] in security of all sums due or to become due or prestable or to become prestable by [me/us] to THE SCOTTISH MINISTERS and interest on such sums including without prejudice to the foregoing generality sums and obligations due by [me/us] in terms of the Offer of Grant by The Scottish Ministers in [my/our] favour dated [] and [my/our] acceptance thereof dated [] (herein referred to as “the Agreement”) and any Supplementary Agreement or Agreements to follow thereon GRANT a Standard Security in favour of the said The Scottish Ministers over ALL and WHOLE [*Enter description of the property*], Together with [*Enter details from last Disposition*] Which subjects are herein referred to as “the Subjects”; And [I/we] agree that save insofar as the Standard Conditions aftermentioned have been varied by the Agreement and may hereafter be varied by any Supplementary Agreement or Agreements to follow thereon, or by any subsequent Deed of Variation, the Standard Conditions specified in the Schedule of Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 and any lawful variation thereof operative for the time being shall apply; And [I/we] grant warrandice: IN WITNESS WHEREOF