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SHEPHERD+WEDDERBURN

Assignment Agreement

among

The Rangers Football Club plc/
Wavetower Limited
The Subsidiaries
and
Bank of Scotland plc

5 May 2011

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THIS ASSIGNATION AGREEMENT is made

BETWEEN

- (1) BANK OF SCOTLAND PLC, acting in its capacity as lender under the Facility Letters (defined below) (the "Lender");
- (2) WAVETOWER LIMITED, a company incorporated under the laws of England with company number 7380537 and having its registered office at 4 Bedford Row, London WC1R 4DF (the "Assignee");
- (3) THE RANGERS FOOTBALL CLUB PLC a company incorporated under the laws of Scotland with company number SC004276 and having its registered office at Ibrox Stadium, Glasgow G51 2XD (the "Company"); and
- (4) THE SUBSIDIARIES of the Company listed in Part 1 of the Schedule to this Agreement (the "Subsidiaries").

NOW THIS DEED WITNESSES

1. Definitions and Interpretation

1.1 In this Agreement:

"Additional Interest Amount" means an amount equal to the aggregate amount of unpaid interest on the Assigned Debt, fees, costs, charges and expenses accrued on or arising in connection with the Assigned Debt under the Term Loan Facility Letter in the period between the Completion Date and the Effective Date (excluding, for these purposes, the Completion Date but including the Effective Date);

"Ancillary Facilities" means any banking or payment facilities provided by the Lender to any member of the Group or which are provided by a third party to any member of the Group and in connection with which the Lender has or may in the future have a liability (whether as guarantor or otherwise), including:

- (a) any BACS or other payment or settlement facilities or access to any payment systems (including the Lender's "Corporate On-line" facility); and
- (b) any foreign currency or foreign exchange facilities or transactions,

but excluding (for the avoidance of doubt) the facilities provided pursuant to the Asset Finance Agreement and the Hedging Documentation;

"Asset Finance Agreement" means the sub-lease dated 23 and 30 May 1995 between the Company and Capital Bank Property Investments (6) Limited;

"Asset Finance Fee Letter" means the fee letter (in the agreed form) from the Assignee and the Company to the Lender and Capital Bank Property Investments (6) Limited in respect of repayment of amounts due under the Asset Finance Agreement;

"Assigned Debt" the entire outstanding amount due to the Lender under the Term Loan Facility Letter;

"Assigned Documents" means the Corporate Guarantee, the Term Loan Facility Letter and the Security Documents (but excludes, for the avoidance of doubt, the Asset Finance Agreement and the Hedging Documentation);

"Consideration" means the sum of £18,000,962.29;

"Completion Date" means 6 May 2011;

"Corporate Guarantee" means the corporate guarantee dated 9 November 2006 between the Company, the Subsidiaries and the Lender;

"Effective Date" has the meaning given to it in clause 4;

"Facility Letters" means the Term Loan Facility Letter and the Working Capital Facility Letter;

"Group" means the Company, the Subsidiaries and any other subsidiary or subsidiary undertaking of the Company;

"Hedging Documentation" means the documentation in relation to the Callable Swap Transaction No. 1391111TS between the Company and the Lender;

"Hedging Letter" means the letter (in the agreed form) from the Lender to the Company in respect of the Hedging Documentation;

"Security Documents" means the documents listed in Part 2 of the Schedule to this Agreement;

"Term Loan Facility Letter" means the facility letter dated 4 November 2004 addressed by the Lender to the Company as amended by an amendment letter dated 30 October 2009;

"Working Capital Facility" has the meaning given to it in the Working Capital Facility Letter;

"Working Capital Facility Letter" means the facility letter dated 16 August 2007 and addressed by the Lender to the Company as amended from time to time, and as most recently amended by an amendment letter dated 27 January 2011;

"Working Capital Liability" means the aggregate of (a) any net liability of the Group to the Lender under the Working Capital Facility (taking into account any accrued but unpaid interest on the Working Capital Facility) as at 6 p.m. on the Working Capital Termination Date and any time thereafter and (b) any accrued but unpaid fees, costs, charges and expenses payable (or which would otherwise become payable but for the termination of the Working Capital Facility pursuant to this Agreement) by any member of the Group to the Lender in respect of the Working Capital Facility in respect of the period up to (and including) the Working Capital Termination Date;

"Working Capital Termination Date" means the day prior to the Completion Date.

1.2 In this Agreement:

- 1.2.1 unless the context otherwise requires, words in singular shall include the plural and vice versa;
- 1.2.2 unless otherwise specified, references to clauses and schedules are to clauses and schedules of this Agreement;
- 1.2.3 the schedule to this Agreement forms part of this Agreement;
- 1.2.4 clause, schedule and paragraph headings have been included for convenience only and shall not affect the interpretation of this Agreement;
- 1.2.5 any phrase introduced by the term, "include", "including", "in particular" or any similar general term is not limited by any particular examples preceding or following those general words;
- 1.2.6 a reference to any agreement, deed, document or instrument shall be to that agreement, deed, document or instrument as varied, amended, restated, supplemented, replaced, novated and/or transferred from time to time;
- 1.2.7 "subsidiary" and "subsidiary undertaking" have the meaning given to them in the Companies Act 2006, (provided that for those purposes a company or undertaking shall be deemed to be a member of another company or undertaking when its shares in the other company or undertaking are registered in the name of another person either in connection with the taking of security or as a nominee); and
- 1.2.8 references to any provision of any statute, statutory instrument or other statutory provision shall include any re-enactment, consolidation, replacement or modification thereof and shall include any subordinate legislation made thereunder.

2. Assignment

2.1 On the Effective Date, the Lender unconditionally, irrevocably and absolutely assigns and transfers to the Assignee all of its rights, benefits, title, interest, liabilities and obligations in and under:

- 2.1.1 the Assigned Debt; and
- 2.1.2 the Assigned Documents.

2.2 On and from the Effective Date:

- 2.2.1 the Lender shall be released and discharged from any obligations to the Company and the Subsidiaries and the Company and the Subsidiaries shall be released and discharged from any obligations to the Lender, in each case with respect to the Assigned Debt and the Assigned Documents and whether present or future, actual or contingent; and
- 2.2.2 the Assignee shall be bound by the terms of and undertakes to perform the obligations of the Lender under the Assigned Documents, whether present or future, actual or contingent.

3. Consideration

The consideration payable for the assignment and transfer provided for in clause 2.1 shall be the Consideration (together with any Additional Interest Amount, if payable), which shall be paid by the Assignee to the Lender in accordance with clause 4.

4. Completion Date and Effective Date

- 4.1 The Assignee will pay to the Lender (by same day electronic transfer to a bank account nominated by the Lender):
- 4.1.1 the Consideration on the Completion Date; and
- 4.1.2 if the Effective Date is after the Completion Date, the Additional Interest Amount on the Effective Date.
- 4.2 On or prior to the Completion Date:
- 4.2.1 the Assignee and the Company shall duly execute the Asset Finance Fee Letter and shall irrevocably and unconditionally deliver it to the Lender; and
- 4.2.2 the Company shall duly execute the Hedging Letter and shall irrevocably and unconditionally deliver it to the Lender.
- 4.3 The Lender shall notify the Assignee immediately upon it:
- 4.3.1 having received in form and substance satisfactory to it:
- (i) the Consideration and, if payable, the Additional Interest Amount;
 - (ii) the Asset Finance Fee Letter, duly executed by the Assignee and the Company;
 - (iii) the Hedging Letter, duly executed by the Company; and
 - (iv) evidence of the due authorisation and execution of this Agreement, the Asset Finance Letter and the Hedging Letter by the parties to those documents (other than the Lender); and
- 4.3.2 being satisfied that its "know your customer" requirements in respect of the Assignee have been fulfilled; and
- 4.3.3 being satisfied that the Group does not have and will not have a Working Capital Liability,
- the date of such notification being the "Effective Date".

5. Working Capital Facility and Ancillary Facilities

- 5.1 On and from the Working Capital Termination Date:
- 5.1.1 the Working Capital Facility shall be terminated and shall cease to be available;
- 5.1.2 the Lender shall be released and discharged from any obligations to the Company and the Subsidiaries with respect to the Working Capital Facility and the Working Capital Facility Letter, whether present or future, actual or contingent.

- 5.2 On and from the Completion Date, the Company, the Subsidiaries and the Assignee will ensure that the Company does not have a Working Capital Liability.
- 5.3 For the avoidance of doubt, the Lender shall continue to be entitled on and following the Working Capital Termination Date to exercise its rights under or in respect of the Working Capital Facility Letter to the extent that these survive termination of the Working Capital Facility Letter, including its rights of set off pursuant to clause 8.7 (*Payments*) of the Working Capital Facility Letter and any other rights of set-off or to combine any accounts.
- 5.4 With effect from the Completion Date, the Assignee shall:
- 5.4.1 without prejudice to clause 5.2, ensure that there is no debit balance on any account held by any member of the Group; and
- 5.4.2 indemnify and keep indemnified the Lender on demand against any liabilities, losses, costs, charges, claims or expenses incurred by the Lender (whether present or future, actual or contingent and whether before, on or after the Completion Date) under or in connection with any Ancillary Facilities.

6. Intimation

By signing this Agreement, the Company and each of the Subsidiaries acknowledge intimation of and consent for all purposes to the assignment and transfer of the Assigned Debt and the Assigned Documents by the Lender to the Assignee pursuant to this Agreement, notwithstanding, in particular, that such assignment and transfer may not comply with any provision of the Assigned Documents (including clause 11 of the Term Loan Facility Letter).

7. Investigation

- 7.1 Subject to clause 7.3 (but without prejudice to clause 11), the Lender does not make, and the Assignee does not rely upon, any representation, warranty or condition (express or implied) about, and the Lender shall have no liability or responsibility to the Assignee for:
- 7.1.1 the effectiveness, validity or enforceability of the Assigned Documents; or
- 7.1.2 the performance or non-performance by any party to the Assigned Documents; or
- 7.1.3 the financial condition, status or nature of the Company and the Subsidiaries and any other related party.
- 7.2 The Assignee represents and warrants to the Lender that:
- 7.2.1 it has the power and authority to execute, deliver and perform its obligations under this Agreement and each other deed, document or agreement which is to be executed by the Assignee pursuant to or in connection with this Agreement;
- 7.2.2 it was established solely for the purposes of acquiring:
- (i) shares in the capital of the Company; and
- (ii) the Assigned Debt; and
- 7.2.3 it is a Qualifying Lender (as defined in the Term Loan Facility Letter).
- 7.3 The Lender represents and warrants to the Assignee that:
- 7.3.1 as at (and including) 6 May 2011 the amount of principal and accrued but unpaid interest comprised in the Assigned Debt due under the Term Loan Facility Letter which is, was or will be (as the case may be) outstanding in accordance with the Term Loan Facility Letter is as set out in Part 3 of the Schedule;
- 7.3.2 as at the Completion Date, it has not entered into any sub-participation or trust in respect of or assigned, novated or otherwise transferred the Assigned Debt or the Assigned Documents or any part thereof to any person; and
- 7.3.3 it has the power and authority to execute, deliver and perform its obligations under this Agreement and the Assigned Documents.

- 7.4 Notwithstanding any other provision of this Agreement, the Assignee acknowledges and agrees that the Lender shall have no obligation or liability whatsoever to the Assignee (including an obligation to repay all or any part of the Consideration) as a result of the assignment and transfer (or any part of it) provided for in this Agreement being declared void or set aside or otherwise being or becoming ineffective to any extent, in each case whether by reason of such assignment and transfer not being in compliance with any provision of the Assigned Documents (including clause 11 of the Term Loan Facility Letter) or otherwise.

8. Confirmation and indemnity

- 8.1 The Lender and the Assignee agree and confirm that with effect on and from the Effective Date:
- 8.1.1 other than in respect of a breach of clause 7.3, the Assignee shall not take any actions or proceedings against the Lender or any officer, employee or agent of the Lender (each a "Relevant Person") in respect of any claim it might have against a Relevant Person for any cost, loss or liability incurred by the Assignee as a result of its execution of this Agreement or which arises in connection with this Agreement (except for any such actions and proceedings for any such costs, loss or liability incurred by the Assignee by reason of a Relevant Person's gross negligence or wilful misconduct);
- 8.1.2 the Lender shall have no obligation (at any time) to enter into any arrangements to repurchase or reacquire all or any part of the Assigned Debt;
- 8.1.3 the Lender no longer has any rights in relation to the Assigned Debt or the Assigned Documents;
- 8.1.4 the Lender shall have no obligation to reimburse or indemnify the Assignee for any cost, loss or liability incurred by the Assignee:
- (i) pursuant to or in connection with this Agreement (unless such cost, loss or liability is incurred by reason of a Relevant Person's gross negligence or wilful misconduct); or
 - (ii) as a result of any failure by the Company or any of the Subsidiaries to perform any of their obligations under the Assigned Documents;
- 8.1.5 any risk which the Assignee is exposed to in respect of any moratorium, rescheduling, refinancing, suspension of payments or similar arrangement or circumstances affecting the Assigned Debt shall be entirely for the account of and the responsibility of the Assignee; and
- 8.1.6 the Assignee shall indemnify, and hold the Lender harmless against any cost, expense, loss, liability or obligation of, or which is incurred by, any Relevant Person (other than by reason of a Relevant Person's gross negligence or wilful misconduct) arising:
- (i) out of any act or omission of the Assignee pursuant to or in connection with this Agreement;
 - (ii) out of any failure of the Assignee to perform any obligations under the Assigned Documents; and
 - (iii) under or in connection with the Assigned Documents after the Effective Date.
- 8.2 Without prejudice to clause 8.1 the maximum aggregate liability of the Lender and the Assignee under this Agreement or otherwise in connection with the assignment and transfer provided for in this Agreement shall not exceed the Consideration. The payment by the Assignee of the Consideration, any Additional Interest Amount and any amount required to be paid pursuant to clause 12.2 shall not be taken into account in any calculation of the limit on the liability of the Assignee under this clause 8.2.
- 8.3 The Company and the Subsidiaries acknowledge, agree and confirm for the benefit of the Assignee and the Lender that:

- 8.3.1 the Assigned Documents are in full force and effect and will remain in full force and effect in accordance with their terms on and following the Effective Date and notwithstanding this Agreement and any action taken or document executed pursuant to it;
- 8.3.2 without prejudice to clause 8.3.1, on and following the Effective Date:
- (i) the Corporate Guarantee will extend to all obligations and liabilities of the Company to the Assignee under the Term Loan Facility Letter; and
 - (ii) each Security Document will extend to all obligations and liabilities of the Company or relevant Subsidiary (as appropriate) to the Assignee (whether under the Corporate Guarantee, the Term Loan Facility Letter or otherwise); and
- 8.3.3 as at (and including) 6 May 2011 the amount of principal and accrued but unpaid interest comprised in the Assigned Debt due under the Term Loan Facility Letter which is, was or will be (as the case may be) outstanding in accordance with the Term Loan Facility Letter is as set out in Part 3 of the Schedule.

9. Notices

Communications in writing

- 9.1 Any communication to be made under or in connection with this Agreement shall be made in writing and may be made by fax or letter.

Addresses

- 9.2 The address and fax number (and department or officer, if any, for whose attention the communication is to be made) of each party to this Agreement for any communication to be made or delivered under or in connection with this Agreement is:

- 9.2.1 in the case of the Lender:

- (i) Name: Ian Shanks;
- (ii) Address: New Uberior House, 11 Earl Grey Street, Edinburgh, EH3 9BN;
- (iii) Fax: 0131 659 0679;

- 9.2.2 in the case of the Company and each Subsidiary:

- (i) Name: Gary Withey;
- (ii) Address: Collyer Bristow LLP, 4 Bedford Row, London, WC1R 4DF;
- (iii) Fax: 020 7468 7334;

- 9.2.3 in the case of the Assignee:

- (i) Name: Gary Withey;
- (ii) Address: Collyer Bristow LLP, 4 Bedford Row, London, WC1R 4DF;
- (iii) Fax: 020 7468 7334.

- 9.3 Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- 9.3.1 if by fax, when received in legible form; or

- 9.3.2 if by letter, when it has been left at the relevant address or two business days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and if a particular department or officer is specified as part of its address details provide under clause 9.2, if addressed to that department or officer.

10. Further Assurance

- 10.1 Without prejudice to clause 6 (but subject to clause 10.2) each party shall do or procure the doing of, all acts and things, and execute, and procure the execution of, all documents as may reasonably be required to give effect to this Agreement.
- 10.2 For the purpose of clause 10.2, the Lender shall not be required to do or execute (or procure the doing or execution) of any act, thing or document:
- 10.2.1 unless it has first been indemnified to its satisfaction for all costs and expenses which will be incurred by it in connection with the relevant act, thing or document; and/or
- 10.2.2 if it would (or may) incur any liability or obligation to any person as a result of the relevant act, thing or document.

11. Entire Agreement

- 11.1 This Agreement constitutes the entire understanding between the parties relating to the subject matter of this Agreement and supersedes and extinguishes any prior understandings, drafts, agreements, undertakings, representations, statements, conditions, warranties, negotiations and arrangements of any nature whatsoever, whether or not in writing, between the parties in relation to the subject matter of this Agreement.
- 11.2 The parties acknowledge and agree they have not entered into this Agreement in reliance on any warranties, conditions, statements, or representations of any person (whether or not a party and whether express or implied) other than as expressly incorporated in this Agreement. Without limiting the generality of the foregoing, the parties irrevocably and unconditionally waive any right or remedy they may have to claim damages and/or to rescind this Agreement by reason of any misrepresentation (other than a fraudulent misrepresentation) having been made to it by any person (whether a party or not) and upon which it has relied in entering into this Agreement.
- 11.3 Nothing contained in this Agreement or in any other document referred to or incorporated in it shall be read or construed as excluding any liability or remedy arising as a result of fraud or fraudulent misrepresentation.

12. Set off

- 12.1 Any payments to be made to the Lender under this Agreement shall be made in full without any set-off, deduction, retention, compensation, withholding or counterclaim whatsoever.
- 12.2 In the event that any party is compelled by law to make any deduction or withholding from any amount payable to the Lender under this Agreement or if any such payment shall be or become subject to any tax, duty or levy of any kind (whether before or after the same has been paid to the Lender) that party shall immediately pay to the Lender such additional amount or amounts as will result in the payment to and retention by the Lender of the full amount or amounts which would have been received and retained by them, but for such deduction or withholding or the imposition of such tax, duty or levy.

13. Invalidity, Waivers and Remedies

- 13.1 If any of the provisions of this Agreement become invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.
- 13.2 No failure to exercise, nor any delay in exercising, on the part of any party to this Agreement of any right or remedy under this Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Agreement.
- 13.3 No election to affirm this Agreement on the part of any party or waiver of any right or remedy of any party shall be effective unless it is in writing.

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

14. Assignment and transfer

14.1 The Lender and Assignee shall not be permitted to assign, transfer, mortgage, charge, declare a trust of or otherwise deal with any of their rights, remedies, liabilities and obligations under this Agreement without the consent of the other.

14.2 The Company and the Subsidiaries shall not be permitted to assign, transfer, mortgage, charge, declare a trust of or otherwise deal with any of their rights, remedies, liabilities and obligations under this Agreement without the consent of the Lender and the Assignee.

15. Governing Law and Enforcement

15.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by the laws of Scotland.

15.2 The courts of Scotland 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 the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Agreement) (a "Dispute").

15.3 The parties to this Agreement 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.

IN WITNESS WHEREOF this Agreement consisting of this and the seven preceding pages and the attached schedule (in three parts) is executed as follows:

SUBSCRIBED for and on behalf of

BANK OF SCOTLAND PLC

at Edinburgh

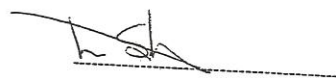
on 5 May 2011

by:

IAN SHANIKS

(Print full name)

in the presence of:



Attorney (Signature)



Witness

THOMAS SWAN

Full name

1 EXCHANGE CRESCENT

Address

EDINBURGH

SUBSCRIBED for and on behalf of
WAVETOWER LIMITED

at Edinburgh
on 5 May 2011
by:

Craig Whyte

(Print full name)

in the presence of:

[Signature]

Witness

THOMAS SWAN

Full name

(EXCHANGE CRESENT

Address

EDINBURGH

SUBSCRIBED for and on behalf of
THE RANGERS FOOTBALL CLUB PLC

at Glasgow
on 5 May 2011

by:

Donald McIntyre

(Print full name)

in the presence of:

[Signature]

Witness

ADAM HOWIE

Full name

16 Charlotte Square

Address

Edinburgh

[Signature]

Director (Signature)

[Signature]

Director (Signature)

SUBSCRIBED for and on behalf of
RANGERS FINANCIAL SERVICES LIMITED

at Glasgow
on 5 May 2011

by:

Donald McAllyre

(Print full name)

[Signature]

Director (Signature)

in the presence of:

[Signature]

Witness

ADAM HOWIE

Full name

16 Charlotte Square

Address

Edinburgh

SUBSCRIBED for and on behalf of
THE RANGERS SHOP LIMITED

at Glasgow
on 5 May 2011

by:

Donald McAllyre

(Print full name)

[Signature]

Director (Signature)

in the presence of:

[Signature]

Witness

ADAM HOWIE

Full name

16 Charlotte Square

Address

Edinburgh

SUBSCRIBED for and on behalf of
RANGERS.CO.UK LIMITED
at Glasgow
on 5 May 2011
by:

Donald McInyre

(Print full name)

in the presence of:

ADAM HOWIE

Witness

ADAM HOWIE

Full name

16 Charlotte Square

Address

Edinburgh

Donald McInyre

Director (Signature)

This is the schedule referred to in the foregoing Assignment Agreement between Bank of Scotland plc, Wavetower Limited, The Rangers Football Club plc, Rangers Financial Services Limited, The Rangers Shop Limited and Rangers.co.uk Limited

Part 1

The Subsidiaries

| | Name | Company Number |
|----|------------------------------------|----------------|
| 1. | Rangers Financial Services Limited | SC141225 |
| 2. | The Rangers Shop Limited | SC132239 |
| 3. | Rangers.co.uk Limited | SC207783 |

Part 2
The Floating Charges

1. Floating Charge dated 24 February 1999 by The Rangers Football Club plc in favour of The Governor and Company of the Bank of Scotland (now Bank of Scotland plc).
2. Floating Charge dated 24 February 1999 by Rangers Financial Services Limited in favour of The Governor and Company of the Bank of Scotland (now Bank of Scotland plc).
3. Floating Charge dated 24 February 1999 by The Rangers Shop Limited in favour of The Governor and Company of the Bank of Scotland (now Bank of Scotland plc).
4. Floating Charge dated 2 and 7 November 2006 by Rangers.co.uk Limited in favour of The Governor and Company of the Bank of Scotland (now Bank of Scotland plc).

Part 3
Amounts outstanding

| Facility Letter | Date | Amount of principal outstanding | Amount of accrued but unpaid interest outstanding | Total |
|---------------------------|------------|---------------------------------|---|----------------|
| Term Loan Facility Letter | 6 May 2011 | £18,000,000 | £962.29 | £18,000,962.69 |