



Registration of a Charge

Company name: **THE RITZ HOTEL, LIMITED**

Company number: **00048125**



X96W8MGM

Received for Electronic Filing: **10/06/2020**

Details of Charge

Date of creation: **10/06/2020**

Charge code: **0004 8125 0022**

Persons entitled: **BNP PARIBAS AS SECURITY AGENT**

Brief description:

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **GIDE LOYRETTE NOUEL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 48125

Charge code: 0004 8125 0022

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th June 2020 and created by THE RITZ HOTEL, LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th June 2020 .

Given at Companies House, Cardiff on 11th June 2020

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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

FLOATING CHARGE

DATED 10 JUNE 2020

between

THE RITZ HOTEL, LIMITED
as Chargor

and

BNP PARIBAS
as Security Agent

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THIS DEED is dated 10 June 2020 and is made

BETWEEN:

- (1) **THE RITZ HOTEL, LIMITED**, a private limited company incorporated under the laws of England, having its registered office located at Third Floor, 20 Old Bailey, London EC4M 7AN, United Kingdom, and registered under number 00048125, having its principal place of business at 15-17, place Vendôme, 75001 Paris, France, and registered with the *Registre du Commerce et des Sociétés* of Paris under registration number 572 219 913, as the chargor (the "**Chargor**"); and
- (2) **BNP PARIBAS**, as trustee for and on behalf of the Senior Creditors (the "**Security Agent**", which expression includes any person which is for the time being a trustee for the Senior Creditors for the purposes of this Deed).

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Term Loan Agreement (as defined below).
- (B) It is intended by the Parties that this Deed shall take effect as a deed notwithstanding the fact that a Party may only execute this Deed under hand.
- (C) The Security Agent holds the Security created by, and the benefit of, this Deed on trust for itself and the other Senior Creditors on the terms of this Deed and the Subordination Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**Act**" means the Law of Property Act 1925.

"**Charged Assets**" means the whole of the Chargor's undertakings and assets purported to be encumbered by Security created in favour of any Finance Party pursuant to the terms of the Term Loan Agreement.

"**Declared Default**" means the occurrence of a payment Event of Default (*Cas d'Exigibilité Anticipée*) pursuant to Clause 22.1.1 (*Défaut de paiement*) of the Term Loan Agreement and/or the giving of any notice by the Security Agent pursuant to Clause 22.2 (*Conséquences de la survenance d'un Cas d'Exigibilité Anticipée*) of the Term Loan Agreement and/or, on the Final Maturity Date, any of the Secured Obligations remaining unpaid or outstanding.

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Security Agent in accordance with the terms of the Senior Finance Documents.

"**Enforcement Event**" means the occurrence of any of the following events as determined by the Security Agent (acting reasonably):

- (a) the Security created under the Term Loan Agreement is found to be unenforceable or invalid due to non-registration in England and Wales; and
- (b) any legal proceedings or other procedure or step is taken in England or Wales in relation to the appointment of a liquidator, receiver, administrative receiver, compulsory manager or other similar officer in respect of the Chargor or any of its assets.

"Legal Reservations" means the assumptions and qualifications set out in the English law opinion delivered by Gide Loyrette Nouel LLP addressed to the Secured Parties in respect of this Deed.

"Party" means a party to this Deed.

"Receiver" means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

"Secured Obligations" has the meaning ascribed to the term "*Obligations Garanties*" in the Term Loan Agreement.

"Secured Party" means a Senior Creditor, a Receiver or any Delegate.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Asset" means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Senior Obligations have been unconditionally and irrevocably paid and discharged in full.

"Senior Obligations" means any of the Obligations owed or to be owed by The Ritz Hotel, Limited to the Senior Creditors in relation to the Term Loan Agreement and the other Senior Finance Documents (together with any amounts or liabilities owed or payable to the Senior Creditors following any enforcement of the Security Interests), except for any obligation or liability which, if it were so included, would result in this Deed contravening any applicable law (including without limitation, sections 678 and 679 of the Companies Act 2006).

"Subordination Agreement" means the subordination agreement governed by French law dated 31 July 2019 and entered into between The Ritz Hotel, Limited as Debtor, RH Paris 1 S.à.r.l. and Ritz (Paris) Holdings Limited as Subordinated Creditors and BNP PARIBAS as Agent, Security Agent and Senior Creditor.

"Term Loan Agreement" means the term loan agreement governed by French law and drafted in the French language, dated 31 July 2019 and entered into between, *inter alios*, The Ritz Hotel, Limited as Borrower (*Emprunteur*) and BNP PARIBAS as Agent (*Agent*), Security Agent (*Agent des Sûretés*), Arranger (*Arrangeur*), Underwriter and Lender (*Prêteur*).

1.2 Construction

- (a) Capitalised terms defined in the Subordination Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) Unless otherwise stated, any reference in this Deed to any agreement or document (including any reference to this Deed or any other Senior Finance Document or to any agreement or document entered into pursuant to or in accordance with any such agreement or document) shall be construed as a reference to:
 - (i) such agreement or document as amended, amended and restated, restated, varied, novated or supplemented from time to time; and
 - (ii) any agreement or document whereby such agreement or document is so amended, amended and restated, restated, varied, novated or supplemented or which is entered into pursuant to or in accordance with any such agreement or document.

- (c) Unless otherwise stated, any reference in this Deed to a Clause or Schedule shall be construed as a reference to a clause of or a schedule to this Deed.
- (d) Clause and Schedule headings are for ease of reference only and shall not affect the construction of this Deed.
- (e) The term **this Security** means any Security created by this Deed.
- (f) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (g) If the Security Agent considers (acting reasonably and under the instructions of the Secured Parties (also acting reasonably)) that an amount paid to a Secured Party under a Senior Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or any other similar event, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (h) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Senior Finance Document, the consent of any person who is not a Party is not required to rescind, vary or terminate this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Contracts (Rights of Third Parties) Act 1999.

2. PAYMENT OF SENIOR OBLIGATIONS

2.1 Covenant to pay to the Security Agent

The Chargor covenants with and undertakes to the Security Agent that it shall pay or discharge the Senior Obligations to it at the times and in the manner provided in the relevant Senior Finance Documents when they become due provided that the liability of the Chargor under this Deed shall be limited to the aggregate amount realised in respect of the Security Assets.

2.2 Demands

The making of one demand shall not preclude the Security Agent from making any further demands.

2.3 Interest on demands

- (a) If the Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment by the Chargor (both before and after judgement), calculated at the rate set out in and in accordance with (but without duplication with any interest payable under) the provisions of Clause 8.3 (*Intérêts de retard*) of the Term Loan Agreement.
- (b) Any interest accruing under paragraph (a) above shall be immediately payable by the Chargor on demand by the Security Agent.

3. NATURE OF SECURITY

3.1 General

- (a) All the Security created under this Deed is:
 - (i) created in favour of the Security Agent as trustee for the Secured Parties from time to time on the terms set out in the Subordination Agreement;
 - (ii) created over present and future assets of the Chargor;
 - (iii) Security for the payment and discharge of all the Senior Obligations; and
 - (iv) made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b)
 - (i) If the Chargor is prohibited from creating Security over any of the Charged Assets without obtaining the consent of a third party:
 - (A) the Chargor must notify the Security Agent immediately;
 - (B) any charge created by this Deed shall not take effect as regards the applicable Charged Asset until such consent is obtained or the prohibition removed, at which time that applicable Charged Asset shall immediately become subject to the floating charge under Clause 4.1; and
 - (C) unless the Security Agent otherwise requires, the Chargor must obtain the required consent or the removal of the prohibition on the Charged Asset being secured under this Deed.
- (c) The Security Agent declares that it holds the benefit of this Deed and this Security on trust for the Secured Parties.

4. CREATION OF SECURITY

4.1 Floating charge

The Chargor hereby charges all of its rights, title, interest and benefits from time to time in and to all of the Charged Assets to the Security Agent with full title guarantee by way of first floating charge as continuing Security for the payment and discharge of all the Senior Obligations.

4.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 4.1.

5. AUTOMATIC CRYSTALLISATION OF FLOATING CHARGE

The floating charge created by Clause 4.1 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge upon the occurrence of:

- (a) an Enforcement Event; or
- (b) the Security created under the Term Loan Agreement becoming enforceable upon the occurrence of a Declared Default.

The floating charge created under this Deed may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
- under Section 1A of Schedule A1 of the Insolvency Act 1986.

6. LIABILITY OF THE CHARGOR

6.1 Liability not discharged

The Chargor's liability under this Deed in respect of any of the Senior Obligations shall not (to the extent permitted by applicable law) be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Agent or any other Finance Party that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) any Finance Party renewing, determining, varying or increasing the Term Loan Agreement or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this Clause 6, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

6.2 Immediate Recourse

The Chargor waives any right it may have to require the Security Agent to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Chargor.

7. COMPLIANCE WITH NEGATIVE PLEDGE

The Parties agree that the entry into this Deed does not breach Clause 21.11 (*Limitation à l'octroi de Privilèges*) of the Term Loan Agreement and for the avoidance of doubt does not breach any other provisions of the Finance Documents.

8. RESTRICTIONS ON DEALINGS

8.1 Security

Except as expressly allowed under the Term Loan Agreement or this Deed, the Chargor may not create or attempt to create or permit to subsist or arise any Security on, over or affecting any Security Asset or any part of them.

8.2 Disposals

Except as expressly allowed under the Term Loan Agreement or this Deed, the Chargor may not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

9. REPRESENTATIONS AND WARRANTIES

9.1 General

The Chargor makes the following representations and warranties to the Security Agent on (i) the date of this Deed; and (ii) on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition and the Chargor acknowledges that the Security Agent and the other Senior Creditors have relied upon these representations and warranties:

- (a) it is the absolute legal and beneficial owner of all the Security Assets free from any Security (other than any Security created pursuant to this Deed or the Term Loan Agreement);
- (b) it has not sold or granted (or agreed to sell or grant) any right of pre-emption over or otherwise disposed of, the benefit of its right, title and interest in and to any of the Security Assets;
- (c) subject to the Legal Reservations, it has, and will at all times during the subsistence of this Deed have, the necessary power and existence to enable it to enter into and perform the obligations expressed to be assumed by it under this Deed; and
- (d) subject to the Legal Reservations, all actions, conditions and things required to be taken, fulfilled and done in order (a) to enable it to create this Security, by or pursuant to this Deed and to ensure that (subject to all necessary registrations of the Deed) such Security is legal, valid, binding and enforceable in England and Wales and has (and will have) the ranking in priority which it is expressed to have and (b) to make this Deed admissible in evidence in the courts of England have been done, taken, fulfilled and performed.

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Enforcement Event

This Security will become immediately enforceable if an Enforcement Event occurs.

10.2 Discretion

After the occurrence of an Enforcement Event, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Term Loan Agreement.

10.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after the occurrence of an Enforcement Event.

11. ENFORCEMENT OF SECURITY

11.1 General

- (a) For the purposes of all powers implied by statute, the Senior Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of

leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

11.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

11.3 Privileges

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

11.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:

- (a) whether the Senior Obligations have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Senior Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

11.5 Redemption of prior security

- (a) At any time after the occurrence of an Enforcement Event, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

11.6 Contingencies

If this Security is enforced at a time when no amount is due under the Senior Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

11.7 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after the

occurrence of an Enforcement Default to appropriate all or any part of that financial collateral in or towards the satisfaction of the Senior Obligations.

- (b) The property so appropriated shall be valued by an external and independent auditor that will be appointed:
 - (i) within ten (10) Business Days following such appropriation, by mutual agreement between the Chargor and the Security Agent; or
 - (ii) in the absence of any such agreement within ten (10) Business Days, by a competent court.
- (c) The external auditor so appointed (the "Expert") will determine the value of the property at fair market value at the time of the enforcement of this Security (the "FMV") within twenty (20) Business Days following its appointment, taking into account the following valuation principles:
 - (i) the Expert will calculate the FMV on the basis that the Chargor and its subsidiaries (if any) are a going concern, unless the Expert duly justifies that given the circumstances at the time of the valuation, that assumption is no longer appropriate;
 - (ii) the Expert will calculate the FMV on the basis of a multi-criteria approach consistent with best practices for business valuations and include, if the Chargor and its subsidiaries (if any) are a going concern, a combination of discounted cash flows peer group multiple analyses and precedent transaction multiple analysis; and
 - (iii) the Expert must rely on any information obtained from the Chargor and the Secured Parties (including the latest audited annual consolidated financial statements of the Chargor and including any projections included in the latest business plan adopted by the board of directors of the Chargor, unless the Expert duly justifies that given the circumstances at the time of valuation those projections are no longer accurate) to apply the valuation methods.
- (d) The valuation of the Expert shall be binding upon the Chargor and the Secured Parties, except in case of manifest error.
- (e) Where any financial collateral is appropriated:
 - (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines 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,

and each Senior Creditor will give credit for the proportion of the value of the financial collateral appropriated to its use.

12. RECEIVER

12.1 Appointment of Receiver or administrator

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or

- (ii) the Chargor so requests in writing to the Security Agent at any time.
- (b) The Security Agent may appoint any one or more persons to be an administrator pursuant to paragraph 12 or paragraph 14 of Schedule B1 of the Insolvency Act 1986 (and in the case of an appointment under paragraph 14 of Schedule B1 of the Insolvency Act 1986, without notice to the Chargor) of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the Chargor so requests in writing to the Security Agent at any time.
- (c) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (d) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (e) 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 section 1A of the Insolvency Act 1986.
- (f) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

12.2 Removal

The Security Agent may by writing under its hand (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.

12.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

12.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail. 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.
- (b) 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 unless due to the gross negligence or wilful misconduct of the applicable Secured Party.

12.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security 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.

13. POWERS OF RECEIVER

13.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 13 (*Powers of Receiver*) in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- (c) A Receiver shall have (and be entitled to exercise) in relation to the Secured Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):
 - (i) all of the powers of an administrative receiver set out in Schedule 1 and Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver); and
 - (ii) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the Act.
- (d) The powers granted to a Receiver pursuant to this Deed may be restricted by the document (signed by the Security Agent) appointing him but they shall not be restricted by any winding-up or dissolution of the Chargor.

13.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

13.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he/she thinks fit (acting reasonably).

13.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit (acting reasonably and subject to applicable law).
- (b) A Receiver may discharge any person appointed by the Chargor.

13.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit (acting reasonably).

13.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit (acting reasonably).
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit (acting reasonably).

13.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

13.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit (acting reasonably).

13.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

13.10 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

13.11 Other powers

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable (acting reasonably) for realising any Security Asset or incidental or conducive to any of the rights, powers, functions, authorities or discretions conferred on or vested in a Receiver under or by virtue of this Deed or law (including the bringing or defending of proceedings in the name of, or on behalf of, the Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit (acting reasonably); and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor);
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset and the power to do or omit to do anything which the Chargor itself could do or omit to do; and
- (c) use the name of the Chargor for any of the above purposes.

14. APPLICATION OF PROCEEDS

Any moneys held or received by the Security Agent (or by any Receiver) under or pursuant to this Deed shall be applied by the Security Agent or such Receiver in accordance with the provisions of the Subordination Agreement.

15. EXPENSES AND INDEMNITY

The Chargor must:

- (a) immediately on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

16. DELEGATION

16.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

16.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

16.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate unless occurred due to the wilful misconduct or gross negligence of the Security Agent, Receiver, delegate or sub-delegate (as the case may be).

17. FURTHER ASSURANCES

- (a) The Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may reasonably require for:
 - (i) creating, perfecting or protecting any security over any Security Asset; or
 - (ii) facilitating the realisation of any Security Asset in accordance with this Deed, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
 - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
 - (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary or desirable (acting reasonably).

18. POWER OF ATTORNEY

During the Security Period, the Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of it to, execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary (acting reasonably) for carrying out any obligation of it under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms all actions any attorney does or purports to do under its appointment under this Clause 18 (*Power of Attorney*).

19. MISCELLANEOUS

19.1 Continuing Security

This Security is a continuing security and will extend to the ultimate balance of the Senior Obligations regardless of any intermediate payment or discharge in whole or in part.

19.2 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, the Security Agent may open a new account with the Chargor.
- (b) If the Security Agent does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Security Agent will be credited or be treated as having been credited to the new account and will not operate to reduce any Senior Obligations.

20. RELEASE

At the end of the Security Period, the Senior Creditors must, at the request and cost of the Chargor, take whatever action is necessary to release its Security Assets from this Security.

21. CHANGES TO THE PARTIES

21.1 Successors

- (a) This Deed shall be binding upon and enure to the benefit of each Party and its and/or any subsequent successors and permitted assigns and transferees.
- (b) Without prejudice to paragraph (a) above, this Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Agent and references to the Security Agent herein shall be deemed to include any person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Agent under this Deed or to which, under such laws, those rights and obligations have been transferred.

21.2 No assignment or transfer by the Chargor

The Chargor may not assign or transfer any or all of its rights (if any) and/or obligations under this Deed without the prior consent of the Security Agent.

21.3 Assignment by other Secured Parties

- (a) Each Secured Party (other than the Security Agent) may assign all or any of its rights under this Deed (whether direct or indirect) to any person to which it can transfer its rights in accordance with the terms of the Term Loan Agreement.
- (b) The Chargor irrevocably and unconditionally confirms that:
 - (i) it consents to any assignment or transfer by any Secured Party of its rights and/or obligations made in accordance with the provisions of the Term Loan Agreement;
 - (ii) it shall continue to be bound by the terms of this Deed, notwithstanding any such assignment or transfer; and
 - (iii) the assignee or transferee of such Secured Party shall acquire an interest in this Deed upon such assignment or transfer taking effect.

21.4 Assignment and transfer by Security Agent to successor

The Security Agent may assign and transfer all or any part of its rights and obligations under this Deed to a replacement security trustee appointed pursuant to the terms of the Term Loan Agreement. Such replacement security trustee will, from the date of such assignment or transfer, be the security trustee for the Secured Parties under this Deed instead of the previous security trustee.

22. GOVERNING LAW

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

23. ENFORCEMENT

23.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of, or in connection with this Deed (including any dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 23.1 (*Jurisdiction of English courts*) is for the benefit of the Security Agent only. As a result, the Security Agent is not 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.

23.2 Waiver of immunities

The Chargor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;

- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

IN WITNESS WHEREOF this Deed has been signed on behalf of the Security Agent and executed as a deed by the Chargor and is intended to be and is hereby delivered by it as a deed on the date specified above.

SIGNATORIES

Chargor

EXECUTED as a DEED by
The Ritz Hotel, Limited
acting by:

)
)

Duly authorised signatory

In the presence of:

Witness's signature:

Name:

ROBERT Melani

Address:

Notices:

Address:

Hotel Ritz Paris
15, place Vendôme
75001 Paris - France

Attention:
Financière

Pierre DESCOURS - Direction

Phone:

Email:

Security Agent

BNP PARIBAS

By: E. BONS BARREAU

B. LUNG

Notices:

Address: CIB / Global Finance EMEA Millenaire 4 - 35, rue de la Gare 75019 Paris - France

Attention: Nadjat MERGHEM / Mireille DUSHIME

Email:

Tel:

Copy to: BACK OFFICE CREDIT FINANCIER

Email:

Copy to: BNP PARIBAS, CIB / Structured Finance Real Estate Finance Europe
4 Rue d'Antin 75002 Paris - France

Attention: Emmanuelle BONS-BARREAU / Maxence TRUANT

Tel.:

Email: