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COMPANIES FORM No. 395

753959/65

Particulars of a mortgage or charge

395

CHFP025

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

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

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

153 1 1

1934366



Name of company

* PARAMOUNT LIMITED

Date of creation of the charge

30 AUGUST 2005

Description of the instrument (if any) creating or evidencing the charge (note 2)

5 A deed of debenture made between Paramount Limited (the "Company") (1) and
Starlight Investments Limited (the "Security Trustee") (2) (the "Deed")

Amount secured by the mortgage or charge

Please see attached Schedule

Names and addresses of the mortgagees or persons entitled to the charge

STARLIGHT INVESTMENTS LIMITED
15 Grosvenor Gardens
London

Postcode SW1W 0BD

Presentor's name address and
reference (if any):

Lawrence Graham LLP
190 Strand
WC2R 1JN
DX39 London Chancery

JZS/T83/3 [4957260/4957264]

Time critical reference

For official Use (02/00)
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please see attached Schedule

Please do not
write in
this margin

*Please complete
legibly, preferably
in black type, or
bold block
lettering*

Particulars as to commission allowance or discount (note 3)

Signed Lawrence Graham LLP Date 30 August 2005
On behalf of ~~XXXXXXXX~~ [mortgagee/chargee] †

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

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

† delete as
appropriate

COMPANY NAME:
COMPANY NO.:

PARAMOUNT LIMITED
1934366

SCHEDULE TO FORM 395 FOR:

PARAMOUNT LIMITED

(Registered in England and Wales Company Number 1934366)

(the "Company")

AMOUNT SECURED BY THE MORTGAGE OR CHARGE

All present and future obligations and liabilities, owing or incurred in any manner whatsoever by any Obligor to the Junior Finance Parties ~~(or any of them)~~ whether actual or contingent, whether owed jointly or severally and whether as principal or surety or in any other capacity whatsoever, under the Loan Note Documents except for any obligation which, if it were so included, would result in a contravention of section 151 of the Companies Act 1985 (the "**Secured Liabilities**").

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SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

1. Fixed charge

The Company, as continuing security for the payment and discharge of the Secured Liabilities and in the manner specified in paragraph 3 below:

- 1.1 charges in favour of the Security Trustee (as agent and trustee for itself and each of the other Junior Finance Parties) by way of legal mortgage all the property now belonging to it and specified in Schedule A hereto and all other interests in any freehold or leasehold property now or in the future belonging to it; and
- 1.2 to the extent not validly and effectively charged by way of legal mortgage pursuant to paragraph 1.1 above, charges in favour of the Security Trustee (as agent and trustee for itself and each of the other Junior Finance Parties) by way of a fixed charge:
 - 1.2.1 all interests in any freehold or leasehold property now or in the future belonging to it;
 - 1.2.2 any agreement relating to the acquisition of the Mortgaged Property by it or for it and the benefit of all agreements, contracts, deeds, undertakings, guarantees, warranties and other documents now or hereafter in existence in relation to the Mortgaged Property;
 - 1.2.3 all plant and machinery belonging to it and its interest in any plant or machinery in its possession and in all Fixtures;
 - 1.2.4 all of its rights, benefits, claims and returns of premiums in respect of the Insurances and all proceeds thereof;
 - 1.2.5 all monies standing to the credit of any account and with any person and the debts represented by them;
 - 1.2.6 its goodwill and its uncalled capital;

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 COMPANY NO.: 1934366

- 1.2.7 its book and other debts, both uncollected and collected, the proceeds of the same and all monies otherwise due and owing to it;
- 1.2.8 the benefit of all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in paragraph 1.2.7 above;
- 1.2.9 the benefit of all permissions of whatsoever nature and whether statutory or otherwise, held in connection with the Mortgaged Property and the right to recover and receive all compensation which may be payable to it;
- 1.2.10 the benefit, to the extent vested in it, of all building contracts, professionals' appointments, guarantees, warranties and representations given or made by any building contractors, professional advisers or any other person in relation to the Mortgaged Property, including all rights and remedies available to it against such persons;
- 1.2.11 its rights and benefits in respect of any Intellectual Property;
- 1.2.12 all rights in respect of the proceeds of any order of the court made pursuant to sections 238(3), 239(3) or 244 of the Insolvency Act 1986 or any similar legislation in any jurisdiction;
- 1.2.13 the Securities and the Derivative Assets including (without limitation) the shares referred to in Schedule B hereto;
- 1.2.14 all licences held now or in the future in connection with the business carried on upon all or any part of the Mortgaged Property and also the right to recover and receive all compensation which may at any time become payable to the Company under the Licensing Act 1964;
- 1.2.15 all chattels hired, leased or rented by the Company to any person together in each case with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other Security for the performance of the obligations of any person under or in respect of such contract;
- 1.2.16 the benefit of all agreements for the provision by the Company to any person of any loan or credit or other financial accommodation of any description now or at any time afterwards entered into by the Company; and
- 1.2.17 the proceeds of sale of any property mentioned above.

2. **Floating charge**

- 2.1 The Company as security for the payment and discharge of the Secured Liabilities and in the manner specified in paragraph 3 below charges in favour of the Security Trustee (as agent and security trustee for itself and each of the other Junior Finance Parties) by way of a floating charge all its assets whether or not effectively mortgaged or charged by way of fixed legal mortgage or fixed charge by paragraph 1 above.
- 2.2 The floating charge created by the Deed is a **qualifying floating charge** for the purposes of Paragraph 14 of Schedule B1 to the Insolvency Act 1986.

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3. Title guarantee

- 3.1 Every disposition effected by the Deed is made with full title guarantee.
- 3.2 The other terms of the Deed do not limit or extend any of the covenants implied by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 but create separate and independent obligations having effect cumulatively with those implied covenants.

NEGATIVE PLEDGE / RESTRICTIONS ON DEALINGS

The Company shall not, save as otherwise permitted by the Loan Note Documents:

- (a) create or permit to subsist any Security of whatsoever nature on any Charged Asset other than as created by the Deed; or
- (b) sell, transfer, grant, lease or otherwise dispose of any Charged Asset.

DEFINED TERMS

In this Form 395 the following terms shall have the following meanings:

"Bank" means HSBC Bank plc;

"Charged Assets" means the assets and undertaking of the Company from time to time charged by way of fixed and/or floating security as security for the payment or discharge of all or any part of the Secured Liabilities, and **"Charged Asset"** shall be construed accordingly;

"CREST" means a clearance system operated by CRESTCo Limited;

"Deed" means the deed of debenture dated 30 August 2005 made between the Company (1) and the Security Trustee (2) being the subject of this Form 395;

"Derivative Assets" means all assets deriving from any of the Securities including all allotments, accretions, offers, rights, dividends, interest, income, distributions, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to any of the Securities and all stocks, shares, rights, money or property accruing or offered at a time by way of conversion, redemption, bonus, preference, exchange, purchase, substitution, option, interest or otherwise in respect thereof;

"Facilities Agreement" means the £10,200,000 facilities agreement dated 31 March 2005 and made between the Company (1) and the Bank (2) and acceded to by the Company (and others) on 20 May 2005;

"Fixtures" means all fixtures and fittings (including those of trade) and fixed plant and machinery on the Mortgaged Property in each case belonging to the Company;

"Group Companies" means the Company and each of its Subsidiaries from time to time, and **"Group Company"** shall be construed accordingly;

"Intellectual Property" means: (i) patents, brand names, service marks, trade marks, copyrights, registered or other designs (including without limitation the property specified in

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Schedule C hereto) and any other similar intellectual property assets or rights now or at any time hereafter belonging to the Company, whether registered or unregistered and including applications for registration; and (ii) the benefit of all rights under licences, consents or otherwise in respect of any of the rights of the nature specified in paragraph (i);

"Intercreditor Agreement" means the intercreditor agreement dated 31 March 2005 and made between the Company (1), the Security Trustee (2), the Investors (as defined therein) (3), the Bank (4) and others and acceded to by the Company (and others) on the date of the Deed;

"Insurances" means all policies of insurance of any description and all policies of life insurance or assurance or key man insurance (including without limitation the insurances required under Clause 6.5 of the Deed);

"Junior Finance Parties" means the Security Trustee and the Noteholders;

"Loan Note Documents" means the Loan Note Instrument, the Loan Notes and the Security Documents;

"Loan Note Instrument" means the loan note instrument constituting £2,000,000 variable rate secured loan notes due 2010 dated 31 March 2005 and executed by the Company (1) and the Security Trustee (2);

"Loan Notes" means the principal monies represented by the £2,000,000 variable rate secured loan notes due 2010 constituted by the Loan Note Instrument or, as the case may be, the amount of principal represented by them and for the time being outstanding, and where the context admits includes the certificates representing the loan notes in the form prescribed by the Loan Note Instrument;

"Mortgaged Property" means all freehold and leasehold property (including the Premises) the subject of the security created by the Deed;

"Noteholders" means the persons for the time being entered in the Register as holders of the Loan Notes;

"Obligor" means any person assuming an obligation as guarantor or chargor under any Security Document;

"Premises" means any building or other edifice on or forming part of the Mortgaged Property or other Charged Asset;

"Register" means the register of Loan Notes and Noteholders to be maintained by the Company pursuant to the Loan Note Instrument;

"Securities" means all shares legally and/or beneficially owned from time to time by the Company in the share capital of any entity including without limitation those specified in Schedule B hereto and all rights of whatever nature which the Company may now have or hereafter acquire as against (A) CREST in respect of any securities which the Company may have under any agreement with CREST or CRESTCo Limited and/or to require delivery by CREST of any securities to, or to the order of, the Company; (B) a custodian (or the Bank or its nominee) in relation to any securities under the Senior Security Documents in respect of any securities held in such custodian's (or the Bank's or its nominee's) account with CREST including (without limitation) any rights which the Company may have under any agreement with such custodian (or the Bank or its nominee) relating to the use of such account and/or to require delivery by such custodian (or the Bank or its nominee) of any securities to, or to the order of

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the Company; and (C) all rights of whatever nature which the Company may now have or hereafter acquire against any participant in CREST;

"Security" means the security constituted by the Security Documents;

"Security Documents" means the Deed and any other document evidencing or creating security over any asset of any Group Company in respect of the obligations of the Company under the Loan Note Documents;

"Security Trustee" means Starlight Investments Limited (registered in England and Wales with Company number 02047447) as trustee for itself and the other Junior Finance Parties, and which expression shall include all successor Security Trustees appointed from time to time;

"Senior Security Documents" has the meaning set out in the Intercreditor Agreement; and

"Subsidiaries" means: (i) a subsidiary within the meaning of Section 736 of the Companies Act 1985; and (ii) unless the context otherwise requires, a subsidiary undertaking within the meaning of Sections 258-260 of the Companies Act 1985 as substituted by Section 21 of the Companies Act 1989.

SCHEDULE A Mortgaged Property

NONE

SCHEDULE B Details of Securities

Company	Shares	Number
Paramount Restaurants Limited	Ordinary shares of £1.00 each	1
Groupe Chez Gerard Limited	Ordinary shares of 25 pence each	20,621,170
Real Inns Limited	Ordinary shares of £1.00 each	3,397,925

SCHEDULE C Details of Intellectual Property

NONE

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 01934366

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 30th AUGUST 2005 AND CREATED BY PARAMOUNT LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY OBLIGOR TO THE JUNIOR FINANCE PARTIES OR ANY OF THEM ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 2nd SEPTEMBER 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7th SEPTEMBER 2005.

St
Paw



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES