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legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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

493688126

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

For official use

Company number

[1112]

1940208

Name of company

* Hallmark Hotels Limited (the "Company")

Date of creation of the charge

4 April 2008

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

Mortgage debenture (the "Mortgage Debenture") dated 4 April 2008 executed by the Company in
favour of AIB Group (UK) p.l.c. (the "Bank")

Amount secured by the mortgage or charge

1 The Company covenants with the Bank that it will on demand by the Bank pay to the Bank:

(a) all sums of money which have been or are as at the date of the Mortgage Debenture or may
thereafter from time to time be advanced to the Company by the Bank,

(b) all other indebtedness and/or liabilities whatsoever of the Company to the Bank present, future,
actual and/or contingent and whether incurred solely, severally, jointly and as principal or surety;

(c)(on a full indemnity basis) all costs, charges, expenses and other sums expended, paid, incurred
or debited to any account (including any advances to be made) in relation to the realisation,
enforcement, protection or perfection of rights under the Mortgage Debenture and the security
constituted thereby or the recovery of any of the indebtedness or other liabilities of the Company by
the Bank, or by any Receiver (as defined below) or by any delegate or sub-delegate appointed by the
Bank pursuant to the Mortgage Debenture including (but without prejudice to the generality of the
foregoing) remuneration payable to any Receiver, delegate or sub-delegate as

(cont.)

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

AIB Group (UK) p.l.c.
4 Queen's Square, Belfast

Postcode BT1 3DJ

Presentor's name address and
reference (if any)

Pannone LLP
123 Deansgate
Manchester
M3 2BU

FR04/365922 41/Hallmark Hotels/Mort Deb

Time critical reference

For official Use (02/00)
Mortgage Section



PMO *PGA0700A* 310
27429
COMPANIES HOUSE

A20 *AUWVYZQ* 175
18/04/2008
COMPANIES HOUSE

AUS
COMPANIES HOUSE

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814

Short particulars of all the property mortgaged or charged

1 The Company (to the intent that the security created shall rank as a continuing security in favour of, the Bank) charges with full title guarantee to the Bank for the payment and discharge of the Secured, Obligations (as defined below):

(a) by way of legal mortgage all estates or interests in any freehold and/or leasehold property referred, to in the Schedule to the Mortgage Debenture, being the freehold property known as The Durley Hall Hotel, 7 Durlly Chine Road, Bournemouth registered at The Land Registry under title number DT137903 and all buildings, fixtures (including trade fixtures) and, fixed plant and machinery owned by or charged to the Company and from time to time on or in such, freehold and/or leasehold property (together "the Legally Mortgaged Property") and/or the proceeds of, sale of the Legally Mortgaged Property;

(b) by way of fixed equitable charge all estates or interests in any freehold and leasehold property (except the Legally Mortgaged Property) as at the date of the Mortgage Debenture and Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is or may become a party or otherwise entitled and all buildings, fixtures (including trade fixtures) and fixed plant and machinery owned by the Company and from time to time on or in any freehold or leasehold property an interest in which is charged under the Mortgage Debenture (together "the Equitably Charged Property") and/or the proceeds of sale of the Equitably Charged Property,

(cont)

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Particulars as to commission allowance or discount (note 3)

None

Signed

Pannone LLP

Date

17th April 2008

On behalf of ~~XXXXXXXXXXXXXXXXXXXX~~ [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

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Particulars of a mortgage or charge (continued)

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Continuation sheet No 1
to Form No 395 and 410 (Scot)

*Please complete
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bold block lettering*

Company Number

1940208

Name of Company

Hallmark Hotels Limited (the "Company")

~~XXXXXX~~

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

aforesaid PROVIDED THAT, in relation to such costs, charges, losses, expenses, remuneration and other sums as are mentioned in this paragraph 1(c), interest shall accrue and be payable as from the date on which the same are paid by the Bank, or by any such Receiver, delegate or sub-delegate as therein mentioned or become due to such Receiver, delegate or sub-delegate under the terms of his appointment without the necessity for any demand being made for payment thereof and PROVIDED FURTHER THAT such costs, charges, and expenses shall for the avoidance of doubt include all amounts which the Bank may require from time to time to compensate it for its internal management and administrative costs and expenses incurred in connection with the enforcement of the Mortgage Debenture and the recovery of the liabilities secured by it. A certificate signed by an officer of the Bank as to the amount of such costs and expenses for the time being due or incurred to the Bank from or by the Company shall for all purposes (in the absence of manifest error) be conclusive evidence against and binding upon the Company; and

*Please complete
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(d) interest and charges upon or relating to all such advances, indebtedness, liabilities, costs, expenses and other moneys until demand at the Agreed Rate of Interest (as defined below) or in default of any Agreed Rate of Interest at the Specified Rate of Interest (as defined below) and from and after demand until full discharge (as well after as before judgement) at the Specified Rate of Interest or the Agreed Rate of Interest (whichever is the higher) and such interest shall be compounded monthly in the event of it not being punctually paid but without prejudice to the right of the Bank to require payment of such interest;

2 A certificate signed by an officer of the Bank as to the money and liabilities for the time being due or incurred to the Bank from or by the Company shall for all purposes (in the absence of manifest error) be conclusive evidence against and binding on the Company; and

3 In this form M395, the following words have the following meanings:

"Agreed Rate of Interest" means the most recent rate of interest from time to time agreed between the Bank and the Company,

"Receiver" means any person (or persons) appointed by the Bank to be a receiver of the property mortgaged or charged by the Mortgage Debenture or any part or parts thereof, and

"Specified Rate of Interest" means a rate calculated on a daily basis 5% per annum, above the Bank's base rate from time to time.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

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(c) by way of fixed charge all balances standing to the credit of any current, deposit or other account of the Company with the Bank (including, inter alia, any account with the Bank designated a realisations account for the proceeds of disposal of any of the assets of the Company) or with other bankers, financial institutions or similar third parties ("the Credit Balances"),

(d) by way of fixed charge all stocks, shares and/or other securities in any other body corporate whether or not certified (together "the Securities") as at the date of the Mortgage Debenture or at any time during the continuance of the security constituted by the Mortgage Debenture belonging to the Company (including, without the prejudice to the generality of the foregoing, loan capital, indebtedness or liabilities on any account or in any manner owing to the Company) and all rights in respect of or incidental to the Securities;

(e) by way of fixed charge the goodwill and the uncalled capital of the Company as at the date of the Mortgage Debenture or at any time thereafter in existence and future calls (whether made by the direction of the Company or a Receiver, an administrator or a liquidator) and the licences, patents, patent applications, trade names and rights in trademarks, copyrights, whether registered or not, rights in the nature of copyright, registered designs, know how, inventions, rights in confidential information, service marks and all other intellectual property rights as at the date of the Mortgage Debenture or at any time during the continuance of the security constituted by the Mortgage Debenture belonging to the Company (together the "Goodwill and Intellectual Property");

(f) by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment as at the date of the Mortgage Debenture or at any time during the continuance of the security constituted by the Mortgage Debenture belonging to the Company other than insofar as it is part of the Company's stock in trade (together "the Equipment"); and

(g) by way of floating charge its undertaking and all its other property, assets and rights whatsoever and wheresoever present and/or future, including those expressed as charged by way of fixed charge if, and to the extent that, such charge may fail (whether by virtue of the laws of England and Wales or the laws of any other jurisdiction in which the relevant property, asset or right is located or to which it is subject) for any reason to operate as a fixed charge (hereinafter called "the Property charged by way of Floating Charge" and together with the Legally Mortgaged Property, the Equitably Charged Property, the Debts (as defined below), the Credit Balances, the Securities, the Goodwill and Intellectual Property, the Equipment and all other property mortgaged or charged by the Mortgage Debenture collectively called "the Charged Property" which expression may be taken to refer to the real and/or the personal or incorporeal property mortgaged or charged by the Mortgage Debenture as the context may require or admit);

2 Each charge, mortgage or assignment by way of security created by the Mortgage Debenture is separate, independent of and distinct from and in addition to every other such charge, mortgage or assignment;

3 Paragraph 14 of Schedule B1 to the 1986 Act (as defined below) (incorporated by Section 248 and Schedule 16 of the 2002 Act (as defined below)) shall apply to any floating charge created pursuant to the Mortgage Debenture;

4 Pursuant to the provisions of the Mortgage Debenture and with reference to the Legally Mortgaged Property, the Equitably Charged Property, the Equipment, the Goodwill and Intellectual Property and the Securities, the Company covenants and agrees not to create any mortgage, charge or other security interest over all or any part thereof or any interest therein without the consent in writing of the Bank;

5 Pursuant to the provisions of the Mortgage Debenture and with reference to the Legally Mortgaged Property and the Equitably Charged Property, the Company covenants and agrees not to sell, transfer, lease, assign or part with possession of the Legally Mortgaged Property, the Equitably Charged Property or any part thereof nor confer upon any person, firm, company or body whatsoever any licence, right or interest to occupy it or any part thereof without the consent in writing of the Bank,

6 Pursuant to the provisions of the Mortgage Debenture, the Company shall if called upon to do so by the Bank from time to time:

(a) execute a legal assignment of the Debts or any of them to the Bank in a form approved by the Bank,

(b) give notice of assignment to each debtor from which any of the Debts is due;

and/or

**Particulars of a mortgage or charge
(continued)**

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Continuation sheet No 2
to Form No 395 and 410 (Scot)

*Please complete
legibly, preferably
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Company Number

1940208

Name of Company

Hallmark Hotels Limited (the "Company")

~~XXXXXX~~

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Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

*Please complete
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(c) take such steps as the Bank may require to perfect the assignment referred to in paragraph 6(a) above, and

(d) in addition, execute a separate fixed charge over the Debts or any of them in favour of the Bank in such form approved by the Bank, which shall have priority to the charges created by the Mortgage Debenture, and pay into a new specifically designated account (the "Charged Account") with the Bank all monies which the Company may receive in respect of the Debts. The Company shall execute a separate fixed charge over the Charged Account in favour of the Bank;

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7 Pursuant to the provisions of the Mortgage Debenture and with reference to the Securities the Company covenants and agrees that the charge created by paragraph 1(d) above shall include all dividends or interest after the date of the Mortgage Debenture paid on the Securities and all rights, moneys or property accruing or offered at any time (by way of redemption, bonus splitting, preference, option or otherwise) to or in respect of such Securities and the Company undertakes to pay into the accounts referred to in paragraph 6 above on receipt all such dividends and interest and to lodge with the Bank all documents after the date of the Mortgage Debenture received by the Company in relation to any such rights, moneys or property;

8 Pursuant to the provisions of the Mortgage Debenture and with reference to the Property charged by way of Floating Charge, the Company shall not without the consent in writing of the Bank:

(a) create any mortgage, charge or other security interest ranking in priority to, *pari passu* with or subsequent to that charge, and/or

(b) sell or otherwise dispose of the whole or except in the ordinary course of trading and for full value, any part of the Company's undertaking;

9 The security created by the Mortgage Debenture shall be a continuing security notwithstanding any settlement of account or other matter or thing whatsoever and shall be without prejudice and in addition to and shall not merge with any other security (either by way of mortgage, equitable charge or otherwise howsoever) which the Bank may as at the date of the Mortgage Debenture or at any time thereafter hold on all or any part of the assets of the Company or of any other person for or in respect of all or any part of the Secured Obligations,

10 Sections 93 and 103 of the 1925 Act (as defined below) shall not apply to the security constituted by the Mortgage Debenture. The security constituted by the Mortgage Debenture shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the 1925 Act, as varied or extended by the security constituted by the Mortgage Debenture, shall be exercisable immediately at any time after a notice by the Bank demanding payment of and/or discharge of any of the Secured Obligations shall have been served by the Bank on the Company,

11 The Mortgage Debenture provides that for the purposes of section 94(1) of the 1925 Act and section 49 of the Land Registration Act 2002, the Bank may make further advances to the Company, but subject always to the terms and conditions of any agreement between the Bank and the Company, whether made before or after the date of the Mortgage Debenture, for the provision of credit by the Bank to the Company; and

12 In this form M395, the following words have the following meanings:

"Debts" means all present and future book and other debts and monetary claims due or owing to the Company;

"Secured Obligations" means the monies due, owing or incurred by and other liabilities of the Company to the Bank the payment and discharge of which are the subject of covenants, undertakings and agreements contained in the Mortgage Debenture PROVIDED THAT no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Mortgage Debenture (or any part thereof) would constitute unlawful financial assistance within the meaning of Sections 151 and 152 of the 1985 Act and in respect of which the appropriate procedures in accordance with Sections 155-158 of the 1985 Act have not been complied with,

"1925 Act" means the Law of Property Act 1925;

"1986 Act" means the Insolvency Act 1986; and

"2002 Act" means the Enterprise Act 2002.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

**COMPANY NO. 1940208
CHARGE NO. 19**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A MORTGAGE DEBENTURE DATED
4 APRIL 2008 AND CREATED BY HALLMARK HOTELS LIMITED
FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM
THE COMPANY TO AIB GROUP (UK) PLC 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 8
APRIL 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24 APRIL 2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES