



Registration of a Charge

Company name: **ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED**

Company number: **02567988**



X6JKK7RD

Received for Electronic Filing: **20/11/2017**

Details of Charge

Date of creation: **03/11/2017**

Charge code: **0256 7988 0019**

Persons entitled: **CBRE LOAN SERVICES LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description:

Contains fixed 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.**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2567988

Charge code: 0256 7988 0019

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd November 2017 and created by ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th November 2017 .

Given at Companies House, Cardiff on 22nd November 2017

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



SHEPHERD+ WEDDERBURN

ASSIGNATION OF RENT

Between

ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED

as Chargor

and

CBRE LOAN SERVICES LIMITED

as Common Security Agent

Re: Holiday Inn Express, Palace Grounds, Hamilton ML3 6AD

ASSIGNATION OF RENT between:

- (1) **ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED**, a company incorporated in England and Wales with registered number 02567988 and having its registered office at Bridgeway House, Bridgeway, Stratford-Upon-Avon, Warwickshire, England CV37 6YX (the "**Chargor**");

and

- (2) **CBRE LOAN SERVICES LIMITED**, a company incorporated in England and Wales with registered number 05469838 and having its registered office at St. Martin's Court, 10 Paternoster Row, London EC4M 7HP, in its capacity as security trustee for each of the Secured Parties under and in terms of the Intercreditor Agreement aftermentioned (the "**Common Security Agent**" which expression shall include its successors and assignees as security trustee aforesaid).

WHEREAS:

- (A) Pursuant to the terms of the Senior Facility Agreement and the Mezzanine Facility Agreement, each Original Lender has agreed to make available to the Borrowers certain loan facilities.
- (B) The Chargor is party to the Senior Facility Agreement and the Mezzanine Facility Agreement as an Original Guarantor.
- (C) In security of the payment and discharge of the Secured Liabilities the Chargor has agreed to grant this Assignment of Rent.
- (D) Pursuant to the terms of the Intercreditor Agreement the Common Security Agent has agreed to hold the benefit of this Assignment of Rent (and the security created pursuant hereto) on trust for the Secured Parties.

NOW THEREFORE:

1. Definitions and interpretation

1.1 In this Assignment of Rent :

"**Borrowers**" means the Mezzanine Borrower and/or the Senior Borrower.

"**Event of Default**" means a Senior Event of Default and/or a Mezzanine Event of Default.

"**Facility Agreement**" means each of the Senior Facility Agreement and the Mezzanine Facility Agreement.

"**Finance Document**" means each of the Senior Finance Documents and/or the Mezzanine Finance Documents.

"**Finance Party**" means a Senior Finance Party or a Mezzanine Finance Party.

"**Further Lease**" means any further, additional or renewal lease, licence to occupy or missive of let granted or entered into by the Chargor of or relative to the Property or any part thereof after the date of this Assignment of Rent;

"**Intercreditor Agreement**" means the English law intercreditor agreement dated on or about the effective date hereof between, amongst other, the Senior Finance Parties, the Mezzanine Finance Parties and each of the Transaction Obligors.

"**Lease**" means the leases, licences to occupy or missives of let detailed at Part 4 of the Schedule, or any other document specified as such by the Common Security Agent and the Chargor;

"**Lender**" means a Senior Lender or a Mezzanine Lender.

"Mezzanine Event of Default" has the meaning given to the term "Event of Default" in the Mezzanine Facility Agreement.

"Mezzanine Facility Agreement" means the English law facility agreement dated on or about the date hereof between, amongst others, Titan Financing Limited as Borrower, Morgan Stanley Principal Funding Inc. as mandated lead arranger, CBRE Loan Services Limited as mezzanine agent, CBRE Loan Services Limited as mezzanine security agent and Morgan Stanley Principal Funding Inc. as original lender, as amended, varied, novated or supplemented from time to time.

"Mezzanine Finance Document" has the meaning given to the term "Finance Document" in the Mezzanine Facility Agreement.

"Mezzanine Finance Party" has the meaning given to the term "Finance Party" in the Mezzanine Facility Agreement.

"Mezzanine Lender" has the meaning given to that term in the Intercreditor Agreement.

"Mezzanine Obligor" has the meaning given to the term "Obligor" in the Mezzanine Facility Agreement.

"Mezzanine Transaction Obligor" has the meaning given to the term "Transaction Obligor" in the Mezzanine Facility Agreement.

"Obligor" means each of the Mezzanine Obligors and the Senior Obligors.

"Original Lender" has the meaning given to that term in the Mezzanine Facility Agreement and the Senior Facility Agreement (as applicable).

"Party" means a party to this Assignment of Rent.

"Property" means the property detailed at Part 3 of the Schedule;

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property, including (without double counting) each of the following amounts:

- (a) rent, licence fees, advertising revenues and equivalent amounts paid or payable;
- (b) any sum received from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of the Chargor;
- (d) any other moneys paid or payable in respect of occupation and/or usage of the Property and any fixture and fitting on the Property including any fixture or fitting on the Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, renunciation, amendment, supplement, waiver, extension or release of any Lease;
- (g) any sum paid or payable in respect of a breach of covenant, undertaking or dilapidations under any Lease and for expenses paid in relation to any such breach;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease;
- (i) any Tenant Contributions;
- (j) any contribution to a sinking fund paid by any occupational tenant under any Lease;
- (k) any break payments that are received or recoverable following the actual exercise of any break option under any Lease in the period for which Rental Income is being calculated;

- (l) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Chargor; and
- (m) any amount in respect of or which represents VAT.

"Schedule" means the schedule annexed and executed as relative to this Assignment of Rent;

"Secured Liabilities" has the meaning given to that term in the Intercreditor Agreement.

"Secured Parties" has the meaning given to that term in the Intercreditor Agreement.

"Security Period" means the period beginning on the effective date of this Assignment of Rent and ending on the date on which the Common Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally paid or discharged in full and no Finance Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Finance Documents.

"Senior Event of Default" has the meaning given to the term "Event of Default" in the Senior Facility Agreement.

"Senior Facility Agreement" means the English law facility agreement dated on or about the date hereof between, amongst others, Titan Acquisition Holdco Limited as the Senior Holdco, Titan Acquisition Limited as the Original Borrower, the Original Guarantors, Morgan Stanley Bank, N.A. as an Arranger and Original Lender, Morgan Stanley Bank International Limited as an Arranger and Original Lender, CBRE Loan Services Limited as the Agent, and CBRE Loan Services Limited as the Common Security Agent (each as defined in that agreement as amended, varied, novated or supplemented from time to time).

"Senior Finance Document" has the meaning given to the term "Finance Document" in the Senior Facility Agreement.

"Senior Finance Party" has the meaning given to the term "Finance Party" in the Senior Facility Agreement.

"Senior Lender" has the meaning given to that term in the Intercreditor Agreement.

"Senior Obligor" has the meaning given to the term "Obligor" in the Senior Facility Agreement.

"Senior Transaction Obligor" has the meaning given to the term "Transaction Obligor" in the Senior Facility Agreement.

"Transaction Obligor" means each of the Mezzanine Transaction Obligors and the Senior Transaction Obligors.

"Standard Conditions" means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970, as amended, and any lawful variation thereof operative for the time being.

1.2 Terms defined in other Finance Documents

Unless defined in this Assignment of Rent, or the context otherwise requires, a term defined in the Intercreditor Agreement, the Senior Facility Agreement or in any other Finance Document has the same meaning in this Assignment of Rent, or any notice given under or in connection with this Assignment of Rent, as if all references in those defined terms to the Intercreditor Agreement, the Senior Facility Agreement or other Finance Document were a reference to this Assignment of Rent or that notice.

1.3 Intercreditor Agreement

Each of the Parties hereby acknowledges that in acting under this Assignment of Rent the Common Security Agent is acting pursuant to the Intercreditor Agreement and is entitled to the benefit of all protections and other provisions expressed to be in its favour as Common Security Agent as set out in the Intercreditor Agreement.

1.4 Construction

Clauses 1.2 (*Construction*), 1.3 (*Currency symbols and definitions*) and 1.5 (*Scottish terms*) of the Senior Facility Agreement will apply as if incorporated in this Assignment of Rent or in any notice given under or in connection with this Assignment of Rent, as if:

- 1.4.1 all references in that Clause to the Senior Facility Agreement were a reference to this Assignment of Rent or that notice; and
- 1.4.2 all references in Clause 1.2 (e) – (g) of the Senior Facility Agreement to the “Agent” were a reference to the Common Security Agent.

1.5 Application of provisions in Senior Facility Agreement and Intercreditor Agreement

Clauses 1.7 (*Third party rights*), 8.4 (*Default interest*), 10.5 (*Break Costs*), 12 (*Tax Gross-Up and Indemnities*), 13 (*Increased Costs*), 14 (*Other indemnities*), 16 (*Costs and Expenses*), 25.1 (*Assignments and transfers by the Lenders*), 26.1 (*Assignments and transfers by Obligors*), 30 (*Payment Mechanics*), 32 (*Notices*), 33.1 (*Accounts*), 33.2 (*Certificates and determinations*) and 36 (*Amendments and waivers*) of the Senior Facility Agreement and Clauses 25 (*The Common Security Agent*) and 26 (*Change of Common Security Agent and Delegation*) of the Intercreditor Agreement, are deemed to form part of this Assignment of Rent as if expressly incorporated into it and as if all references in those clauses to the Senior Facility Agreement and the Intercreditor Agreement were references to this Assignment of Rent.

1.6 No obligation

The Common Security Agent shall not be under any obligation in relation to the Rental Income as a consequence of this Assignment of Rent and the Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Rental Income and any underlying Lease.

1.7 Approvals, consents and rights of the Common Security Agent

References in this Assignment of Rent to the cooperation of, or to an approval, opinion, consent, discretion or requirement of the Common Security Agent means the cooperation of, or an approval, opinion, consent, direction or requirement of the Common Security Agent acting on the instructions of the Instructing Group pursuant to the Intercreditor Agreement.

1.8 Conflicts

If there is any inconsistency between the terms of this Assignment of Rent and those of the other Finance Documents, the terms of the other Finance Documents shall prevail.

2. Undertaking to pay

The Chargor undertakes to the Common Security Agent (as trustee for the Secured Parties) that it shall, on demand of the Common Security Agent pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms (which indemnified sums shall be treated as Secured Liabilities for the purposes of this Assignment of Rent).

3. Assignment of Rent

- 3.1 The Chargor HEREBY ASSIGNS to and in favour of the Common Security Agent (as trustee for the Secured Parties), the Chargor's whole right, title and interest, present and future, in and to Rental Income arising under the Leases as a continuing security for the payment and discharge of the Secured Liabilities.
- 3.2 The representations, warranties, undertakings and covenants relating to Rental Income contained in the other Finance Documents are incorporated herein, *mutatis mutandis*.

4. Provisions as to security and perfection

4.1 Negative pledge and restriction on dealings

Except where agreed in writing by the Common Security Agent or as permitted under the Finance Documents, the Chargor shall not at any time during the Security Period create or

permit to subsist any Security over all or any part of the Rental Income or dispose of or otherwise deal with any part of the Rental Income or any Lease.

4.2 Perfection

The Chargor hereby undertakes to the Common Security Agent as follows:-

- 4.2.1 that it shall promptly (and in any event within 5 Business Days) following the effective date of this Assignment of Rent:
 - (i) intimate or procure the intimation of this Assignment of Rent to each tenant under the relevant Lease in terms of the form of intimation set out in Part 1 of the Schedule (or in a form otherwise agreed with the Common Security Agent); and
 - (ii) use reasonable endeavours to procure from each relevant tenant an acknowledgement in the form set out in Part 2 of the Schedule;
- 4.2.2 that it shall, at the request of the Common Security Agent and at its own expense, grant and execute such other documents and deeds and take all such lawful action as may, in the opinion of the Common Security Agent, reasonably be required to enable the Common Security Agent to obtain possession of, recover and uplift the Rental Income in accordance with the terms of each Facility Agreement;
- 4.2.3 as soon as reasonably practicable following the entry into of a Further Lease, to execute an assignment or assignments in substantially the same terms *mutatis mutandis* as this Assignment of Rent of the Rental Income payable under that Further Lease and to deliver the same to the Common Security Agent;
- 4.2.4 that upon the occasion of any assignment or other devolution of any tenant's interest in any Lease, they shall provide full written details of the assignee or transferee to the Common Security Agent following a written request from the Common Security Agent; and
- 4.2.5 to deliver to the Common Security Agent within twenty one (21) days following a written demand by the Common Security Agent, a validly executed assignment of the benefit of any guarantee or rental deposit agreement granted in favour of the Chargor or otherwise in respect of the obligations of any of the tenants under the relevant Lease in such terms as reasonably agreed by the Common Security Agent.

5. Further assurance

5.1 Further assurance

The Chargor shall promptly, at its own cost, take all such action (including filings, registrations and notarisations and applying for relief against irritancy) and execute all such documents (including assignments, assignments, transfers, standard securities, mortgages, charges, notarisations, registrations, notices, intimations and instructions) as the Common Security Agent may reasonably specify (and in such form as the Common Security Agent may reasonably require) in favour of the Common Security Agent or its nominee(s) to:

- 5.1.1 create, perfect, confer priority, protect and/or maintain the Security created or intended to be created in respect of the Rental Income in accordance with the rights vested in it under this Assignment of Rent (which may include the execution by the Chargor of a mortgage, standard security, security interest, charge, assignment or assignment over all or any of the assets constituting, or intended to constitute, the Rental Income) or for the exercise of any of the rights, powers and remedies of the Common Security Agent provided by or pursuant to this Assignment of Rent or by law;
- 5.1.2 confer on the Common Security Agent Security over any asset or undertaking of the Chargor located in any jurisdiction outside Scotland equivalent or similar to the security intended to be conferred by or pursuant to this Assignment of Rent; and/or
- 5.1.3 while an Event of Default is continuing, facilitate the realisation of the Rental Income.

5.2 Necessary action

The Chargor shall take all such action as is available to it (including making all filings and registrations and applying for relief against irritancy) as may be necessary or as may reasonably be requested by the Common Security Agent for the purpose of the creation, perfection, protection or maintenance of any security or priority conferred or intended to be conferred on the Common Security Agent by or pursuant to this Assignment of Rent.

6. Application of moneys

All moneys received or recovered and any non-cash recoveries made or received by the Common Security Agent pursuant to this Assignment of Rent or the powers conferred by it shall (subject to the claims of any person having prior rights thereto) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Common Security Agent, the payment or other discharge any liabilities incurred by the Security Agent in, or incidental to, the exercise of any of its powers, and thereafter shall be applied by the Common Security Agent (notwithstanding any purported appropriation by the Chargor) in accordance with the terms of Clause 24 (*Application of Proceeds*) of the Intercreditor Agreement.

7. Power of attorney

7.1 Appointment and powers

The Chargor by way of security irrevocably appoints the Common Security Agent severally and independently to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- 7.1.1 carrying out any obligation imposed on the Chargor by or pursuant to this Assignment of Rent or any other agreement binding on the Chargor to which the Common Security Agent is party (including the execution and delivery of any deeds, charges, assignments, standard securities, assignments or other security and any transfers of the Rental Income and perfecting, establishing priority and/or releasing the security created or intended to be created in respect of the Rental Income); and
- 7.1.2 enabling the Common Security Agent to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Assignment of Rent or by law (including, after this Assignment of Rent has become enforceable in accordance with the terms of the Finance Documents), the exercise of any right of a legal or beneficial owner of the Rental Income).

The power of attorney granted in this Clause 7.1 (*Appointment and powers*) shall only be exercisable:

- (i) following the occurrence of an Event of Default which is continuing; or
- (ii) following a failure by the Chargor to comply with its obligations under this Assignment of Rent.

7.2 Ratification

The Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers

8. Effectiveness of security

8.1 Continuing security

- 8.1.1 The Security created by or pursuant to this Assignment of Rent shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Common Security Agent in writing.
- 8.1.2 No part of the Security from time to time intended to be constituted by this Assignment of Rent will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

8.2 Cumulative rights

The Security created by or pursuant to this Assignment of Rent shall be cumulative, in addition to and independent of every other Security which the Common Security Agent or any Secured Party may at any time hold for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Common Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Rental Income shall merge into the Security constituted by this Assignment of Rent.

8.3 No prejudice

The Security created by or pursuant to this Assignment of Rent shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, by the Common Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Common Security Agent holds the security or by any other thing which might otherwise prejudice that Security.

8.4 Remedies and Waivers

No failure on the part of the Common Security Agent to exercise, nor any delay on its part in exercising, any right, power or remedy under this Assignment of Rent, shall operate as a waiver of that right, power or remedy or, power constitute an election to affirm this Assignment of Rent. No election to affirm this Assignment of Rent on the part of the Common Security Agent shall be effective unless it is in writing. The rights, powers and remedies provided in this Assignment of Rent are cumulative and not exclusive of any provided by law. No single or partial exercise of any right, power or remedy shall preclude any further or other exercise of that or any other right or remedy.

8.5 No liability

None of the Common Security Agent nor its nominee(s) shall be liable

8.5.1 to account as a heritable creditor or mortgagee or mortgagee in possession; or

8.5.2 for any loss arising by reason of taking any action permitted by this Assignment of Rent or any neglect, default or omission in connection with the Rental Income or taking possession of or realising all or any part of the Rental Income,

except in the case of gross negligence or wilful default upon its part.

8.6 Partial invalidity

If, at any time, any provision of this Assignment of Rent is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Assignment of Rent nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Assignment of Rent is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

8.7 Waiver of defences

The obligations of, and the Security created by, the Chargor under this Assignment of Rent and the rights and remedies provided by this Assignment of Rent will not be affected by any act, omission, matter or thing which, but for this Clause 8.7 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under, or the Security created by, this Assignment of Rent and whether or not known to the Chargor or any Secured Party including:

- (i) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;
- (ii) the release of any other Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor of any Transaction Obligor;
- (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or

Security over assets of, any Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Transaction Obligor or any other person;
- (v) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other documents);
- (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; and
- (vii) any insolvency or similar proceedings in any relevant jurisdiction.

8.8 **Chargor Intent**

Without prejudice to the generality of Clause 8.7 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created under this Assignment of Rent and the rights and remedies arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

8.9 **Immediate Recourse**

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from the Chargor under this Assignment of Rent. This waiver applies irrespective of any law or any provision of this Assignment of Rent to the contrary.

8.10 **Deferral of rights**

Until the end of the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Assignment of Rent:

- (i) to be indemnified by a Transaction Obligor;
- (ii) to claim any contribution from any guarantor of any Transaction Obligor's obligations under this Assignment of Rent ;
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Secured Parties under this Assignment of Rent or of any other guarantee or Security taken pursuant to, or in connection with, this Assignment of Rent by any Secured Party;
- (iv) to bring legal or other proceedings for an order requiring any Transaction Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (v) to exercise any right of set-off against any Transaction Obligor; or

- (vi) to claim or prove as a creditor of any Transaction Obligor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Common Security Agent to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Transaction Obligors under or in connection with this Assignment of Rent to be repaid in full and shall promptly pay or transfer the same to the Common Security Agent or as the Common Security Agent may direct for application in accordance with Clause 6 (*Application of Moneys*).

9. Prior security interests

- 9.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any part of the Rental Income or in case of exercise by the Common Security Agent of any power of sale under this Assignment of Rent, the Common Security Agent may redeem such prior Security or procure the transfer thereof to itself.
- 9.2 The Common Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor.
- 9.3 All principal moneys, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Common Security Agent (or as the Common Security Agent may direct in accordance with the Intercreditor Agreement) on demand together with accrued interest thereon as well as before judgment at the rate from time to time applicable to unpaid sums specified in each Facility Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment).

10. Subsequent security interests

If the Common Security Agent acting in its capacity as trustee or otherwise or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting the Rental Income or any part of the Rental Income which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of the Chargor to the Common Security Agent (or as the Common Security Agent may direct in accordance with the Intercreditor Agreement) (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by the Chargor) be credited or treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities at the time that notice was received.

11. Suspense accounts

All moneys received, recovered or realised by the Common Security Agent under this Assignment of Rent (including the proceeds of any conversion of currency) may in the discretion of the Common Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society, financial institution or other person as it considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Common Security Agent's discretion, in or towards the discharge of any of the Secured Liabilities and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

12. Release of security

12.1 Release of Security

Upon the expiry of the Security Period, the Common Security Agent shall, at the request and cost of the Chargor (and acting on the instructions of the Instructing Group), release and cancel the security constituted by this Assignment of Rent, and procure the retrocession to the Chargor of the property and assets assigned to the Common Security Agent pursuant to this Assignment of Rent, in each case without recourse to, or any representation or warranty by, the Common Security Agent or any of its nominees.

12.2 Clawback

If the Common Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Assignment of Rent and the Security constituted by that document will continue and such amount will not be considered to have been irrevocably discharged.

13. Set-off

The Chargor authorises the Common Security Agent (but the Common Security Agent shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Secured Liabilities any amount or other obligation (contingent or otherwise) owing by the Common Security Agent to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Common Security Agent in accordance with Clause 6 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

14. Counterparts, delivery and effective date

14.1 This Assignment of Rent may be executed in any number of counterparts and by each of the parties on separate counterparts.

14.2 Where executed in counterpart:

- 14.2.1 this Assignment of Rent will not take effect until each of the counterparts has been delivered;
- 14.2.2 each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
- 14.2.3 the date of delivery may be inserted in the testing clause in the blank provided for the effective date of this Assignment of Rent.

15. Discretion and delegation

15.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Assignment of Rent by the Common Security Agent may, subject to the terms and conditions of each Facility Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

15.2 Delegation

The Common Security Agent shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Assignment of Rent (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Common Security Agent.

16. Warrandice

The Chargor grants warrandice.

17. Registration

The Chargor consents to registration of this Assignment of Rent and any certificate as to the outstanding amounts of the Secured Liabilities for preservation and execution.

18. Governing law and jurisdiction

This Assignment of Rent and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of Scotland and the Chargor hereby prorogates the non-exclusive jurisdiction of the Scottish courts so far as not already subject thereto and waives any right or plea of *forum non conveniens* in respect of such jurisdiction.

IN WITNESS WHEREOF these presents consisting of this and the preceding ten pages together with the Schedule in four parts annexed and executed as relative hereto are executed in counterpart by the Chargor and the Common Security Agent as follows, with an effective date of 3 NOVEMBER 2017:

SUBSCRIBED for and on behalf of the said
ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED

KEITH GRIFFITH
Director / Authorised Signatory
(Print Full Name)

[Redacted Signature]
Director / Authorised Signatory
(Signature)

at LONDON
(town of signature)

on 3 NOVEMBER 2017
(date of signature)

Before this witness Rochelle Yes
Witness
(Print Full Name)

[Redacted Signature]
Witness
(Signature)

Reed Smith LLP
The Broadgate Tower
20 Finsbury Square
London EC2A 2HS
(address of witness)

SUBSCRIBED for and on behalf of the said
CBRE Loan Services Limited
as Common Security Agent

.....
Director / Authorised Signatory
(Print Full Name)

.....
Director / Authorised Signatory
(Signature)

at
(town of signature)

on
(date of signature)

Before this witness
Witness
(Print Full Name)

.....
Witness
(Signature)

.....
(address of witness)

18. Governing law and jurisdiction

This Assignment of Rent and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of Scotland and the Chargor hereby prorrogaes the non-exclusive jurisdiction of the Scottish courts so far as not already subject thereto and waives any right or plea of *forum non conveniens* in respect of such jurisdiction.

IN WITNESS WHEREOF these presents consisting of this and the preceding ten pages together with the Schedule in four parts annexed and executed as relative hereto are executed in counterpart by the Chargor and the Common Security Agent as follows, with an effective date of 3 NOVEMBER 2017:

SUBSCRIBED for and on behalf of the said
ATLAS HOTELS (GROUP 3 PROPERTY) LIMITED

..... Director / Authorised Signatory (Print Full Name) Director / Authorised Signatory (Signature)
at..... (town of signature)	on..... (date of signature)
Before this witness	
..... Witness (Print Full Name) Witness (Signature)
..... (address of witness)	

SUBSCRIBED for and on behalf of the said
CBRE Loan Services Limited
as Common Security Agent

..... Director / Authorised Signatory (Print Full Name) ANURAG SHARMA Authorised Signatory
STEVEN HARLE Authorised Signatory	Director / Authorised Signatory (Signature)
at..... LONDON (town of signature)	on..... 3 NOVEMBER 2017 (date of signature)
Before this witness	
..... Witness (Print Full Name)	In the presence of Witness Signature: [Redacted] Witness Name: Lisa Day Occupation: Senior Analyst Address: Henrietta House, Henrietta Place, London W1G 0NB
..... (address of witness)	

This is the schedule referred to in the foregoing Assignment of Rent by Atlas Hotels (Group 3 Property) Limited in favour of CBRE Loan Services Limited in its capacity as Common Security Agent.

PART 1

Form of Intimation to Tenants

[On the letterhead of agent of the Chargor]

BY RECORDED DELIVERY

[insert tenant name and address]

Date: []

Dear Sirs

Re: []

We refer to the lease of the [subjects forming part of the above property between [] and [] (the "**Chargor**") dated [] and [registered in the Land Register of Scotland under Title Number []/[Books of Council and Session]]/[recorded in the Division of the General Register of Sasines for the County of [] on [] (the "**Lease**").

As agents for and on behalf of [] (the "**Chargor**") we hereby give you notice that by an assignation of rent dated [], a certified true copy of which is annexed hereto (the "**Assignment**"), the Chargor assigned to CBRE Loan Services Limited acting as security trustee (the "**Common Security Agent**") the whole right, title and interest in and to the Rental Income (as defined in the Assignment) paid or to be paid to the Chargor as landlords under the Lease (the "**Assigned Sums**").

The Chargor will remain liable to perform all their obligations under the Lease and the Common Security Agent is not under any obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure to perform any of the Chargor's obligations under the Lease.

As agents for and on behalf of the Chargor, we irrevocably instruct and authorise you, until you receive notice from the Common Security Agent to the contrary, to [continue to pay the Assigned Sums in accordance with the existing instructions given to you by or on behalf of the Chargor in respect of the payment of rent.]

The instructions in this notice of intimation may not be revoked or amended without the prior written consent of the Common Security Agent.

Please acknowledge receipt of this notice of intimation and your acceptance of its contents by signing the attached acknowledgement and returning it to the Common Security Agent at Shepherd and Wedderburn LLP, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL (Ref: M01132.1070).

This letter is governed by Scots law.

Yours faithfully

.....
For and on behalf of [] as agents for and on behalf of the Chargor

PART 2

Form of Acknowledgement from Tenants

To: CBRE Loan Services Limited
c/o Shepherd and Wedderburn LLP
1 Exchange Crescent, Conference Square
Edinburgh
EH3 8UL

Reference: M01132.1070

Date: []

Dear Sirs

Re: []

We acknowledge receipt of a notice of intimation dated [] (the "Intimation") and addressed to us by [] as agents for and on behalf of (the "Chargor") in relation to the Lease (as defined in the Intimation) of [the subjects forming part of] the above property and we accept the instructions and authorisations contained in the Intimation.

We confirm that:-

- (a) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease (as defined in the Intimation); and
- (b) we shall pay all rent and other monies payable by us under the Lease in accordance with the existing instructions given by or on behalf of the Chargor to us in respect of the payment of rent, until we receive your written instructions to the contrary.

This letter is governed by Scots law.

Yours faithfully

.....
For and on behalf of
[Tenant]

PART 3


The Property

ALL and WHOLE the subjects on the north side of Keith Street, Hamilton ML3 6AD the tenant's interest in which is registered in the Land Register of Scotland under Title Number LAN192382.

PART 4

The Leases

Lease between LSREF3 Hamilton Limited and Morethanhotels Trading Limited dated 23 and 29 October 2014 and registered in the Books of Council and Session on 8 April 2015.



.....
Atlas Hotels (Group 3 Property) Limited
Authorised Signatory / Director/

.....
CBRE Loan Services Limited
as Common Security Agent
Authorised Signatory / Director

PART 3

The Property

ALL and WHOLE the subjects on the north side of Keith Street, Hamilton ML3 6AD the tenant's interest in which is registered in the Land Register of Scotland under Title Number LAN192382.

PART 4

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Lease between LSREF3 Hamilton Limited and Morethanhotels Trading Limited dated 23 and 29 October 2014 and registered in the Books of Council and Session on 8 April 2015.

.....
Atlas Hotels (Group 3 Property) Limited
Authorised Signatory / Director/



ANURAG SHARMA
Authorised Signatory



CBRE Loan Services Limited
as Common Security Agent
Authorised Signatory / Director

STEVEN HARLE
Authorised Signatory