

M**Particulars of a mortgage or charge****395**

Pursuant to section 395 of the Companies Act 1985

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To the Registrar of Companies

For official use

Company number

2665640

Name of company

SCOTT'S HOTELS (MANAGEMENT) LIMITED (the "Company")

Date of creation of the charge

22nd August 1994

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

DEBENTURE created by the Company in favour of 3i PLC ("the Lender") ("the Debenture")

Amount secured by the mortgage or charge

(i) all moneys and liabilities whatsoever of the Company to the Lender, present or future, actual or contingent including liabilities as surety or guarantor; and

(ii) all costs, charges and expenses owed to or incurred directly or indirectly by the Lender in relation to this security or any other security or held by the Lender in connection with advances or other banking facilities or accommodation offered or made available to the Company or Scott's Hotels Limited or in relation to the enforcement or attempted of any such security or in relation to any such indebtedness or liabilities on a full and unlimited indemnity basis

together in each of the cases mentioned in paragraphs (i) and (ii) above with all interest, commissions and bank and discount charges, such interest being computed in each such case according to the usual mode of

Name(s) and address(es) of the mortgagee(s) or person(s) entitled to the charge

3i PLC
91 WATERLOO ROAD
LONDON
SE1 8XP

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

Simmons & Simmons
14 Dominion Street
London
EC2M 2RJ

5A/L.68447/SWL

Time critical reference

For official Use
Mortgage Section**REGISTERED**

24 AUG 1994

Post room



KLD *K54JS42A* 2400
COMPANIES HOUSE 24/08/94

Short particulars of all the property mortgaged or charged

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(i) by way of first fixed charge all rights and interests derived under a management agreement dated 15th January, 1992 and made between Scott's Hotels Limited (then known as S.H.L. Investments Limited) and Eriotel Limited (1) and the Company (2) (Eriotel having been released by the Company from its obligations under the said management agreement) for the operation by the Company of the hotel business or businesses carried on by Scott's Hotels Limited in the property described in the First Schedule of the Debenture (the "Management Agreement") or in connection therewith or forming any part of the business or activities of the Company pursuant thereto now or at any time during the continuance of this security belonging to the Company;

(ii) by way of first fixed charge all the goodwill for the time being of the Company and all its patents, patent applications, trade marks, service marks, trade names, registered designs, copyrights, licences and all ancillary and connected rights both present and future derived under the Management Agreement or in connection therewith or forming any part of the business or activities of the Company pursuant thereto;

Particulars as to commission allowance or discount

NONE

Signed *Sumner & Sumner*

Date *24th August 1994*

On behalf of ~~the company~~ [mortgagee / chargee] †

† Delete as
appropriate

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 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 This form should be addressed to:
Mortgage Section
PO Box 716
Companies House
Crown Way
CARDIFF CF4 3YA

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Particulars of a mortgage or charge (continued)

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

Company number

2665640

Name of company

SCOTT'S HOTELS (MANAGEMENT) LIMITED

* Delete if
inappropriate

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

(note 2)

the Lender and so that interest shall be payable at the same rate as well after as before any judgment. Provided always that so long as any interest remains unpaid, such interest shall be compounded at the end of each three month period from the date such interest was due and payable but not paid (whether any such liability shall be the sole liability of the Company or shall be a joint liability with any other person, firm or company).

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

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(iii) by way of first floating charge the Company's undertaking and all its other property, assets and rights whatsoever and wheresoever situate, both present and future relating to the carrying on of business or businesses of operating the hotels at the properties described in the Schedule to the Debenture including but not limited to such of the property, assets and rights described in paragraphs (i), (ii) and (iii) above as are not otherwise effectively charged by way of fixed charge pursuant to the Debenture; and

(iv) by way of floating charge the Company's undertaking and all its other property, assets and rights whatsoever and wheresoever, both present and future, (except any property referred to in paragraphs (i), (ii) and (iii) above but so that notwithstanding any other provision of the Debenture the Company may create subsequent fixed or floating charges over the property charged by this paragraph (iv)).

All of which property secured by the Debenture is collectively referred to herein as "the Charged Property".

NOTE: The Company has covenanted with and undertaken to the Lender in the Debenture as follows:-

(i)(a) not without the previous consent of the Lender in writing (and on any terms or conditions which may be imposed by the Lender) to sell, transfer, assign or otherwise dispose of or part with possession of, the whole or any part of the property referred to in paragraphs (i) and (ii) above;

(b) not without the previous consent of the Lender in writing (and on any terms or conditions which may be imposed by the Lender) to sell, transfer, assign, deal in or dispose of the whole or, except in the ordinary course of its business, any material part of the undertaking, property, assets and rights of the Company referred to in paragraph (iii) above;

(ii) not without the previous consent in writing of the Lender to create or attempt to create any mortgage, pledge, charge or other encumbrance on or over the whole or any part of the Charged Property, other than the property referred to in paragraph (iv) above, or permit any lien to arise on or to affect any part thereof;

(iii) not to pull down or remove the whole or any material part (having an aggregate value in excess of £2,000,000 (two million pounds sterling)) of the Charged Property consisting of buildings or other erections, fixed plant and machinery without the previous consent in writing of the Lender;

(iv) not to do or permit or suffer to be done in or upon the Charged Property any waste, spoil or destruction nor to make or permit any alteration or addition whatsoever, structural, external, internal or otherwise, to the Charged Property without the consent in writing of the Lender and in the event of the Lender giving any such consent as aforesaid to carry out all such works in accordance with the provisions and conditions of the consent and to the satisfaction of the Lender;

(v) not to reduce, increase or in any way change the structure of the share capital of the Company without the prior consent in writing of the Lender (such consent not to be unreasonably withheld) and to ensure that it remains a subsidiary (whether direct or indirect) of Scott's Hospitality Inc.;

• Amount due or owing on the mortgage or charge (continued)

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Particulars of a mortgage or charge (continued)

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

Company number

2665640

Name of company

SCOTT'S HOTELS (MANAGEMENT) LIMITED

* Delete if
inappropriate

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

(note 2)

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

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The Debenture also contains a covenant on the part of the Company in the following terms:-

To execute and do all such assurances, acts, deeds and things as the Lender may reasonably require for perfecting the security constituted by the Debenture and, after the moneys secured by the Debenture shall have become payable, for facilitating the realisation of the Charged Property or any part thereof and for exercising all powers, authorities and discretions conferred upon the Lender or any Receiver appointed by it pursuant to the Debenture.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02665640

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 22nd AUGUST 1994 AND CREATED BY SCOTT'S HOTELS (MANAGEMENT) LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO 3i PLC ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th AUGUST 1994.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 30th AUGUST 1994.

R. M. GROVES
for the Registrar of Companies



COMPANIES HOUSE

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