



Registration of a Charge

Company name: **LONDON AND REGIONAL PROPERTIES LIMITED**

Company number: **02909660**



X32L1DVF

Received for Electronic Filing: **27/02/2014**

Details of Charge

Date of creation: **25/02/2014**

Charge code: **0290 9660 0009**

Persons entitled: **SANTANDER UK PLC AS COMMON SECURITY TRUSTEE ON BEHALF OF THE SECURED PARTIES.**

Brief description: **FIRST FIXED CHARGE OVER: (I) THE £15,000,000 SUBORDINATED LOAN DATED 25 FEBRUARY 2014 MADE BY LONDON AND REGIONAL PROPERTIES LIMITED TO LR (YORK) LIMITED; AND (II) ANY FUTURE LOANS MADE BY LONDON AND REGIONAL PROPERTIES LIMITED TO LR (YORK) LIMITED OR LONDON PORTMAN HOTEL LIMITED, TOGETHER WITH ALL MONIES RECEIVABLE UNDER, ARISING OUT OF, OR EVIDENCED BY THE SUBORDINATED LOANS AND ANY OTHER RIGHTS, TITLES, BENEFITS, CLAIMS OR INTERESTS UNDER, ARISING OUT OF, OR EVIDENCED BY, ANY SUBORDINATED LOAN.**

Contains fixed charge(s).

Notification of addition to or amendment of charge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SUSANNAH GATE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2909660

Charge code: 0290 9660 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th February 2014 and created by LONDON AND REGIONAL PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th February 2014 .

Given at Companies House, Cardiff on 27th February 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



EVERSHEDS

Dated 25 february

2014

- (1) LONDON AND REGIONAL PROPERTIES LIMITED
- (2) SANTANDER UK PLC AS COMMON SECURITY TRUSTEE

Assignment and charge of subordinated loans

The rights and obligations of the parties to this agreement are subject to an Intercreditor Deed (as defined in this agreement)

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This deed is made on 25 february 2014 between:

1. **LONDON AND REGIONAL PROPERTIES LIMITED** a company incorporated in England and Wales with company number 02909660 (the "**Chargor**"); and
2. **SANTANDER UK PLC** in its capacity as "**Common Security Trustee**" on behalf of the Secured Parties in accordance with Clause 18 of the Intercreditor Deed (defined below).

1. **INTERPRETATION**{ TC "1 INTERPRETATION" \ 1 }

1.1 **Terms defined in Facility Agreements**

Except where this deed expressly states otherwise:

- 1.1.1 until the Senior Discharge Date, each term used in this deed which is defined in the Senior Facility Agreement has the same meaning as in the Senior Facility Agreement, construed in accordance with the Senior Facility Agreement; and
- 1.1.2 after the Senior Discharge Date, each term used in this deed which is defined in the Junior Facility Agreement has the same meaning as in the Junior Facility Agreement, construed in accordance with the Junior Facility Agreement.

1.2 **Expressly defined terms**

In this deed:

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

"**Borrowers**" means LR (York) Limited a company incorporated in England and Wales with company number 08502956 and London Portman Hotel Limited a company incorporated in England and Wales with company number 00932874.

"**Contract Party**" means any party to a Subordinated Loan other than the Chargor and if more than one such party shall, where the context so requires, mean any one of them.

"**Contract Proceeds**" means all proceeds of any Subordinated Loan from time to time in whatever form they may be, including:

- (a) all monies receivable under, arising out of, or evidenced by, any Subordinated Loan due to the Chargor; and
- (b) any other rights, titles, benefits, claims or interests (whether present, future, proprietary contractual or otherwise) of the Chargor in, under, arising out of, or evidenced by, any Subordinated Loan.

"**Delegate**" means any delegate, agent, attorney or trustee appointed by the Common Security Trustee

"**Discharge Date**" means the date that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments of the Common Security Trustee and each of the Secured Parties cancelled.

"Enforcement Party" means any of the Common Security Trustee, a Receiver or a Delegate

"Event of Default" means the occurrence of any of the events or circumstances defined in either Facility Agreement as an Event of Default.

"Facility Agreements" means the Senior Facility Agreement and the Junior Facility Agreement.

"Finance Documents" means the Senior Finance Documents and the Junior Finance Documents.

"Finance Party" means a Senior Finance Party and a Junior Finance Party.

"Insolvency Act" means Insolvency Act 1986

"Intercreditor Deed" means the intercreditor deed to be entered into on or about the date of this deed between amongst others, the Common Security Trustee, the Senior Finance Parties, the Junior Finance Parties and the Borrowers.

"Junior Account Charge" has the meaning ascribed to the term "Account Charge" in the Junior Facility Agreement.

"Junior Agent" means Mount Street Loan Solutions LLP, acting in its capacity as agent appointed under Clause 29 of the Junior Facility Agreement, or such other agent as may from time to time be appointed in that capacity pursuant to Clause 29.13 of the Junior Facility Agreement.

"Junior Debenture" has the meaning ascribed to the term "Debenture" in the Junior Facility Agreement.

"Junior Facility" has the meaning ascribed to the term 'Facility' in the Junior Facility Agreement.

"Junior Facility Agreement" means a junior facility agreement made on or about the date of this Deed between, amongst others, LR (York) Limited and George Holdings (UK) Limited as borrowers, the Junior Agent and Mount Street Loan Solutions LLP as Junior Security Trustee.

"Junior Finance Documents" has the meaning ascribed to the term "Finance Documents" in the Junior Facility Agreement.

"Junior Finance Party" has the meaning ascribed to such term in the Intercreditor Deed.

"Junior Security Documents" has the meaning ascribed to it in the Junior Facility Agreement.

"Junior Security Trustee" has the meaning ascribed to the term "Security Trustee" in the Junior Facility Agreement.

"Junior Share Charge" has the meaning ascribed to that term in the Senior Facility Agreement.

"LPA" means Law of Property Act 1925.

"Party" means a party to this deed.

"Receiver" means any one or more receivers and managers or (if the Common Security Trustee so specifies in the relevant appointment) receivers appointed by the Common Security Trustee pursuant to this deed in respect of the Chargor or in respect of the Secured Assets or any of them

"Secured Assets" means the assets charged, assigned or otherwise the subject of any security created by or pursuant to this deed and includes any part or parts of such assets.

"Secured Obligations" means the aggregate of all indebtedness and all obligations or liabilities of any kind which may now or at any time in the future be due, owing or incurred by the Obligors to the Secured Parties or any of them under any of the Finance Documents (other than the Junior Debenture, the Junior Share Charge and the Junior Account Charge), whatever their nature or basis, in any currency or currencies and however they are described.

"Secured Parties" shall bear the same meaning as such term is given in the Intercreditor Deed.

"Security Period" means the period beginning on the date of this deed and ending on the Discharge Date.

"Senior Agent" means Santander UK plc, acting in its capacity as agent appointed under Clause 29 of the Senior Facility Agreement, or such other agent as may from time to time be appointed in that capacity pursuant to Clause 29.13 of the Senior Facility Agreement.

"Senior Discharge Date" has the meaning ascribed to such term in the Intercreditor Deed.

"Senior Facility Agreement" means a senior facility agreement made on or about the date of this deed between, amongst others, the Borrowers, the Common Security Trustee and Santander UK plc as Original Lender, Senior Agent, Arranger, Original Hedge Counterparty.

"Senior Finance Documents" has the meaning ascribed to the term "Finance Documents" in the Senior Facility Agreement.

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

"Subordinated Loans" means those contracts or agreements brief particulars of which are set out in **Schedule 1** (*Subordinated Loans*) and any future loans made by the Chargor to a Borrower and also where the context shall so require or permit any of such contracts, agreements or loans and the expression **"Subordinated Loan"** shall also mean any one of such contracts, agreements or loans.

"Subordination Agreement" means the subordination deed to be entered into on or about the date of this deed between amongst others, the Common Security Trustee, the Senior Finance Parties, the Junior Finance Parties, the Borrowers and the Chargor.

"Third Parties Act" means the Contracts (Rights of Third Parties) Act 1999

"VAT" means value added tax as provided for in the Value Added Taxes Act 1994 and any other tax of a similar fiscal nature.

1.3 Construction

In this deed:

1.3.1 any reference to:

1.3.1.1 the word **"assets"** includes present and future property, revenue, rights and interests of every kind;

1.3.1.2 the word **"guarantee"** includes any guarantee or indemnity and any other financial support (including any participation or other assurance against loss and any deposit or payment) in respect of any person's indebtedness;

1.3.1.3 the word **"indebtedness"** includes any obligation for the payment or repayment of money, whatever the nature or basis of the relevant obligation (and whether present or future, actual or contingent);

1.3.1.4 the word **"law"** includes law established by or under statute, constitution, treaty, decree, regulation or judgment, common law and customary law; and the word **"lawful"** and similar words and phrases are to be construed accordingly;

1.3.1.5 the word **"person"** includes any individual, company, corporation, firm, government, state or any agency of a state and any association, partnership or trust (in each case, whether or not it has separate legal personality);

1.3.1.6 the word **"regulation"** includes all guidelines, official directives, regulations, requests and rules (in each case, whether or not having the force of law) of any governmental, inter-governmental or supranational agency, body or department or of any regulatory or other authority or organisation (whether statutory or non-statutory, governmental or non-governmental);

1.3.1.7 the word **"security"** includes any assignment by way of security, charge, lien, mortgage, pledge or other security interest securing any obligation of any person and any other agreement or arrangement having a similar effect; and

1.3.1.8 the word **"tax"** includes any tax, duty, impost or levy and any other charge or withholding of a similar nature (including any interest or penalty for late payment or non-payment);

1.3.2 where something (or a list of things) is introduced by the word **"including"**, or by the phrase **"in particular"**, or is followed by the phrase **"or otherwise"**, the intention is to state an example (or

examples) and not to be exhaustive (and the same applies when other similar words or phrases are used);

- 1.3.3 each reference to the "**Chargor**", or to the "**Common Security Trustee**", any "**Party**" or any of the "**Secured Parties**" or "**Obligors**" includes its successors in title, and its permitted assignees or permitted transferees;
- 1.3.4 each reference to any "**Contract Party**" shall extend to any permitted assignee or transferee of, or successor in title to, any such person, and to any other person who is obligated to the Chargor under the terms of a Subordinated Loan;
- 1.3.5 each reference to any "**Contract Proceeds**" shall include each and any category or part of the Contract Proceeds independently of every other category or part;
- 1.3.6 unless this deed expressly states otherwise or the context requires otherwise, (a) each reference in this deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this deed) and (b) each reference in this deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this deed and whether amended or re-enacted since the date of this deed);
- 1.3.7 each reference to this deed (or to any other agreement or deed) means, at any time, this deed (or as applicable such other agreement or deed) as amended, novated, re-stated, substituted or supplemented at that time, provided that the relevant amendment, novation, re-statement, substitution or supplement does not breach any term of this deed or of any Finance Document;
- 1.3.8 each reference to the singular includes the plural and vice versa, as the context permits or requires;
- 1.3.9 the index and each heading in this deed is for convenience only and does not affect the meaning of the words which follow it;
- 1.3.10 each reference to a clause or Schedule is (unless expressly provided to the contrary) to be construed as a reference to the relevant clause of or Schedule to this deed;
- 1.3.11 wherever this deed states that the Chargor must not take a particular step without the consent of the Common Security Trustee, the Common Security Trustee has discretion whether to give its consent and can impose conditions on any such consent it gives; and
- 1.3.12 an Event of Default is "**continuing**" if it has not been waived.

1.4 **Third Party Rights**

- 1.4.1 A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this deed

except to the extent that this deed or any other of the Finance Documents expressly provides for it to do so.

1.4.2 No consent of any person who is not a Party is required to rescind or vary this deed at any time.

1.4.3 This **clause 1.4** does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act

1.5 **Incorporation of other terms**

Without prejudice to the operation of any applicable term of the Facility Agreements or any other Finance Document:

1.5.1 until the Senior Discharge Date, the provisions of clauses 10.3 (*Default Interest*), 33.8 (*Currency of Account*), 33.9 (*Change of Currency*), 35.1 (*Notices in Writing*), 35.3 (*Delivery*), 35.5 (*Electronic communication*), 35.6 (*English Language*), 39 (*Amendments and waivers*) and 41 (*Counterparts*) of the Senior Facility Agreement shall apply (mutatis mutandis) to this Deed as if set out in this deed in full and as if any reference in any such clause to "this Agreement" were a reference to "this Deed"; and

1.5.2 after the Senior Discharge Date, the provisions of clauses 10.3 (*Default Interest*), 32.8 (*Currency of Account*), 32.9 (*Change of Currency*), 34.1 (*Communications in Writing*), 34.3 (*Delivery*), 34.5 (*Electronic Communication*), 34.6 (*English Language*), 38 (*Amendments and Waivers*) and 40 (*Counterparts*) of the Junior Facility Agreement shall apply (mutatis mutandis) to this Deed as if set out in this deed in full and as if any reference in any such clause to "this Agreement" were a reference to "this Deed".

2. **COVENANT TO PAY{ TC "2 COVENANT TO PAY" \ 1 }**

Subject to **clause 3** (*Limited recourse*), the Chargor hereby, as primary obligor and not merely as surety, covenants with the Common Security Trustee that it will pay, discharge and perform the Secured Obligations on demand and (where applicable) in the manner provided in the Finance Documents.

3. **LIMITED RECOURSE**

3.1 Notwithstanding any other provision of this deed:

3.1.1 the total amount recoverable from the Chargor under this deed shall be limited to, and the Common Security Trustee may not recover from the Chargor any amount in respect of this deed or the Secured Obligations except from the net proceeds, if any, realised by the Common Security Trustee from the enforcement of the Security created by this deed (such proceeds being the "**Proceeds**"); and

3.1.2 if the Proceeds are insufficient, whether partly or fully, to discharge all amounts owing under this deed and the Secured Obligations which, but for this **clause 3** (*Limited Recourse*), would at any time be due under or pursuant to this deed, then the covenant to pay given by the Chargor under **clause 2** (*Covenant to pay*) in respect of the Secured Obligations as remain outstanding after application of the Proceeds

shall be extinguished and released, and the Common Security Trustee shall have no further right, claim or recourse against the Chargor or any of its assets in respect of those Secured Obligations or otherwise under this deed.

4. CHARGING CLAUSE{ TC "4 CHARGING CLAUSE" \ 1 }

4.1 Grant of security

The Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations:

4.1.1 Assignment by way of security

assigns absolutely to the Common Security Trustee all its rights, title and interest in the following assets:

4.1.1.1 the Subordinated Loans; and

4.1.1.2 the Contract Proceeds;

in each case to the fullest extent capable of assignment and subject to re-assignment on redemption as provided in **clause 15.10** (*Release of security*)

4.1.2 First fixed charge

charges in favour of the Common Security Trustee, by way of first fixed charge the following assets:

4.1.2.1 the Subordinated Loans; and

4.1.2.2 the Contract Proceeds;

in each case excluding those Subordinated Loans or Contract Proceeds which have been validly and effectively assigned to the Common Security Trustee pursuant to **clause 4.1.1** (*Assignment by way of security*)); and also

4.1.2.3 any monies (including any deposit, advance or instalment payment) payable to the Chargor for or in connection with the disposal (by whatever means and whether or not permitted by this deed) of the Subordinated Loans or any interest in the Subordinated Loans.

4.2 Notice of assignment or charge

The Chargor shall:

4.2.1 forthwith upon receiving a request to that effect from the Common Security Trustee give notice of each such assignment of its right, title and interest (if any) in and to the Subordinated Loans and the Contract Proceeds by sending a notice in the form set out in **Schedule 2** (*Form of notice to Contract Parties*) (with such amendments as the Common Security Trustee may agree (acting reasonably)) duly completed to each of the Contract Parties; and

- 4.2.2 procure that within 5 Business Days of the date of its receiving such request each such Contract Party delivers an acknowledgement to the Common Security Trustee in the form of the acknowledgement of notice contained in the notice set out in **Schedule 2** (*Form of notice to Contract Parties*) (in the case of each of the Subordinated Loans and the Contract Proceeds) with such amendments as the Common Security Trustee may agree.

4.3 Exercise of rights and obligations under Subordinated Loans

- 4.3.1 Whilst no Event of Default exists and is continuing the Common Security Trustee shall permit the Chargor to exercise its rights under any of the Subordinated Loans to which it is party provided that the exercise of those rights in the manner proposed is in accordance with the terms of the Subordination Agreement and in any event would not result in an Event of Default.
- 4.3.2 Where an Event of Default exists and is continuing the Chargor shall exercise its rights under any of the Subordinated Loans in accordance with the instructions of the Common Security Trustee.
- 4.3.3 The Chargor shall at all times remain liable to perform all the obligations assumed by it under the Subordinated Loans and the Common Security Trustee shall assume no obligation of any kind whatsoever under the Subordinated Loans, nor be under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Subordinated Loans.

4.4 Continuing security

The provisions of this deed will apply at all times (a) regardless of the date on which any of the Secured Obligations was incurred and (b) in respect of the full amount of the Secured Obligations at the relevant time even if, at some other time, the amount of the Secured Obligations has been less than the amount at the relevant time or there has been no part of the Secured Obligations outstanding.

4.5 Full title guarantee and implied covenants

All the security created or given under this deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.6 Miscellaneous

The fact that no or incomplete details of any particular Secured Assets are included or inserted in any relevant Schedule shall not affect the validity or enforceability of the charges created by this deed.

**5. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS{ TC "5
NEGATIVE PLEDGE AND DISPOSAL
RESTRICTIONS" \ 1 }**

5.1 Negative pledge

During the Security Period, the Chargor must not create, extend or permit to subsist any security over any of the Secured Assets, nor may it enter into any other preferential arrangement having a similar effect:

5.2 Exceptions

Clause 5.1 does not apply:

- 5.2.1 to the security created or required to be created by this deed;
- 5.2.2 to any Security which is permitted under the terms of either of the Facility Agreements; nor
- 5.2.3 to any security or transaction to which the Common Security Trustee has given its written consent.

**6. REPRESENTATIONS AND WARRANTIES{ TC "6
REPRESENTATIONS AND WARRANTIES" \ 1
}**

The Chargor represents and warrants to the Common Security Trustee on the date of this deed and on each subsequent date upon which the Repeating Representations set out in the Senior Facility Agreement and the Junior Facility Agreement are repeated and upon which there are Secured Obligations outstanding as follows:

6.1 Status

it is a limited liability company, duly incorporated and validly existing under the laws of England and Wales and has the power to own its assets and carry on its business and other activities as they are being conducted;

6.2 Power and enforceability

the Chargor has the power to enter into this deed and to perform its obligations and exercise its rights under it and the obligations expressed to be assumed by it under this deed are (and at all relevant times have been) legal, valid, binding and enforceable obligations (subject to the Legal Reservations);

6.3 No other security

No other person holds any other security over the Secured Assets;

6.4 Non-conflict with other obligations

neither the execution of this deed by the Chargor, nor the Chargor's compliance with its terms will conflict:

- 6.4.1 in any material respect with any law or regulation applicable to it;
- 6.4.2 with its constitutional documents; or
- 6.4.3 with any agreement or instrument binding upon it or any of the Secured Assets in a manner which is reasonably likely to have a Material Adverse Effect;

6.5 Authorisations

all Authorisations required for the execution, delivery, issue, validity or enforceability of this deed or of the performance of the Chargor's obligations or the exercise of its rights under this deed have been obtained and have not been

(and the Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn;

6.6 Priority of security

the fixed charges and assignments contained in **clause 4.1** (*Grant of security*) constitute first priority security over the assets which are expressed to be secured by such charges and assignments and those assets are not subject to any prior or pari passu security;

6.7 Subordinated Loans

6.7.1 the particulars of the Subordinated Loans set out in **Schedule 1** (*Subordinated Loans*) are correct and complete;

6.7.2 each of the Subordinated Loans is in full force and effect and constitutes legal, valid, binding and enforceable obligations of the Chargor and the relevant Contract Parties;

6.7.3 it has not rescinded or otherwise terminated or novated any of the Subordinated Loans and there have been no amendments to nor defaults under the Subordinated Loans;

6.7.4 it has not waived, compromised, assigned nor agreed to waive, compromise or assign any of its present or future rights, title or interest in and to the Subordinated Loans or the Contract Proceeds otherwise than as provided in this deed;

6.7.5 no right of action is vested in the Chargor nor in any Contract Party in respect of any representation, breach of condition breach of warranty or breach of any other express or implied term of any of the Subordinated Loans; and

6.7.6 it is not aware of any fact or circumstance which would or might prejudice or affect the ability of the Common Security Trustee to enforce any of the Subordinated Loans or any term or condition of any of the Subordinated Loans nor to recover and retain the Contract Proceeds.

7. UNDERTAKINGS{ TC "7 UNDERTAKINGS" \ 1 }

The Chargor undertakes to the Common Security Trustee in the terms of the following provisions of this **clause 7**, all such undertakings to commence on the date of this deed and to continue throughout the Security Period:

7.1 Perform

It will at all times comply with the terms (express or implied) of this deed and of all contracts relating to the Secured Obligations.

7.2 Not to jeopardise security

It will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Common Security Trustee of the security constituted by this deed or the priority of its ranking as expressed in this deed.

7.3 Further assurance

It will at all times (and forthwith upon the Common Security Trustee's reasonable written request) but at the expense of the Borrowers take all steps (including the making of all filings and registrations and the payment of all fees and taxes) and execute all documents necessary (a) to render effective and valid any security or any right or power created or intended to be created or evidenced under or by this deed but which is or may be ineffective or invalid, (b) to perfect, protect or improve any such security or to facilitate its enforcement or realisation, (c) to protect the Common Security Trustee's position under this deed or any other deed or document entered into pursuant to this deed or (d) in connection with the exercise of any of any rights or powers by any Enforcement Party under or in relation to this deed, and so that any security document required to be executed pursuant to this clause will be in such form and will contain such provisions as the Common Security Trustee may reasonably require;

7.4 Subordinated Loans

It will:

- 7.4.1 perform all its obligations (if any) under the Subordinated Loans in a diligent and timely manner;
- 7.4.2 not rescind, terminate, novate or permit rescission, termination or novation of the Subordinated Loans nor make or agree to make any amendments or modifications to the Subordinated Loans or waive or compromise any of its rights under the Subordinated Loans nor release any Contract Party from its obligations under the Subordinated Loans except in any case with the prior written consent of the Common Security Trustee; and
- 7.4.3 promptly inform the Common Security Trustee of any material disputes relating to the Subordinated Loans;

7.5 Deposit of documents

It will promptly at the Common Security Trustee's reasonable request deposit with the Common Security Trustee (or as the Common Security Trustee directs):

- 7.5.1 all deeds and documents of title relating to the Subordinated Loans and the Contract Proceeds including any other deeds or documents necessary to assist the Common Security Trustee to register or enforce the security created by this deed;
- 7.5.2 all such other documents relating to the Secured Assets as the Common Security Trustee may from time to time reasonably require;

7.6 Retention of documents

The Common Security Trustee may retain any document delivered to it pursuant to **clause 7.5** (*Deposit of documents*) or otherwise until the Discharge Date and if, for any reason it ceases to hold any such document before such time, it may by reasonable notice to the Chargor require that the relevant document be redelivered to it and the Chargor must within 5 Business Days comply (or procure compliance) with such notice;

7.7 Power to remedy

it agrees that if it fails to comply with any of the covenants and undertakings set out or referred to in **clauses 7.1 to 7.6 inclusive** it will allow (and hereby irrevocably authorises) the Common Security Trustee and/or such persons as the Common Security Trustee nominates to take such action (including the making of payments) on behalf of the Chargor as is necessary to ensure that such covenants are complied with;

8. ENFORCEABILITY { TC "8 ENFORCEABILITY " \ 1 }

For the purposes of all powers implied by the LPA or any other applicable statute the Secured Obligations shall be deemed to have become due and payable and this deed will become immediately enforceable and the powers of the Common Security Trustee and any Receiver exercisable on the date of this deed, but, as between the Common Security Trustee and the Chargor, the power of sale shall be exercisable only upon the occurrence of an Event of Default and for so long as it is continuing (unless there has been a request from the Chargor to the Common Security Trustee for the appointment of a Receiver, in which case it shall be exercisable at any time following the making of such request).

9. ENFORCEMENT OF SECURITY{ TC "9 ENFORCEMENT OF SECURITY" \ 1 }

9.1 At any time after the Common Security Trustee's power of sale has become exercisable, the Common Security Trustee may without further notice:

9.1.1 appoint one or more than one Receiver in respect of the Secured Assets or any of them and if more than one Receiver is appointed the Receiver may act jointly and severally or individually; or

9.1.2 take possession of the Secured Assets; or

9.1.3 in its absolute discretion enforce all or any part of the security created by this deed in such other lawful manner as it thinks fit.

9.2 The Common Security Trustee may remove the Receiver and appoint another Receiver and the Common Security Trustee may also appoint an alternative or additional Receiver.

9.3 The Receiver will, so far as the law permits, be the agent of the Chargor and the Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Common Security Trustee will not be responsible for any misconduct, negligence or default of the Receiver.

9.4 The powers of the Receiver will continue in full force and effect following the liquidation of the Chargor.

9.5 The remuneration of the Receiver may be fixed by the Common Security Trustee but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Obligations.

9.6 The Receiver will have the power on behalf and at the cost of the Chargor:

9.6.1 to do or omit to do anything which he considers appropriate in relation to the Secured Assets; and

- 9.6.2 to exercise all or any of the powers conferred on the Receiver or the Common Security Trustee under this deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision).
- 9.7 Without prejudice to the general powers set out in **clause 9.6** a Receiver will also have the powers and discretions set out in **Schedule 3** (*Receiver's specific powers*).
- 9.8 If (notwithstanding any representation or warranty to the contrary contained in this deed) there shall be any security affecting the Secured Assets or any of them which ranks in priority to the security created by this deed and the holder of such prior security takes any steps to enforce such security, the Common Security Trustee or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such security.
- 9.9 The Common Security Trustee may, at any time after this deed has become enforceable pursuant to **clause 8** (*Enforceability*), exercise, to the fullest extent permitted by law, all or any of the powers authorities and discretions conferred on a Receiver by this deed, whether as attorney of the Chargor or otherwise and whether or not a Receiver has been appointed.
- 9.10 The Common Security Trustee may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this deed.

10. **APPLICATION OF PROCEEDS{ TC "10 APPLICATION OF PROCEEDS" \ 1 }**

10.1 **Recoveries by Receiver**

The proceeds arising from the exercise of the powers of the Receiver will, subject to any claims ranking in priority to the Secured Obligations, be applied by or at the direction of the Receiver in or towards discharging or satisfying, in the following order of priority:

- 10.1.1 the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;
- 10.1.2 any costs, charges, expenses and liabilities of or incurred by any Enforcement Party in the exercise of any of its powers including all rents, taxes, rates and outgoings whatever affecting the Secured Assets, all premiums on Insurances properly payable under this deed or any applicable statute, the cost of executing necessary or proper repairs to the Secured Assets, and the payment of annual sums or other payments, and the interest on all principal sums, having priority to the Secured Obligations;
- 10.1.3 the Secured Obligations, in accordance with the provisions of the Intercreditor Deed and otherwise in such order as the Common Security Trustee may determine; and
- 10.1.4 the claims of those persons entitled to any surplus.

10.2 Right of appropriation

To the extent that any of the Secured Assets constitute 'financial collateral' and this deed and the obligations of the Chargor under it constitute a 'financial collateral arrangements' (in each case as defined in, and for the purposes of, the Regulations), the Common Security Trustee shall have the right to appropriate all or any part of it in or towards discharge of the Secured Obligations and transfer title in and to it to the Common Security Trustee. For this purpose, the parties to this deed agree that the value of the financial collateral so appropriated shall be, in the case of cash, the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised.

The parties to this deed agree that the method of valuation provided for in this deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

10.3 Suspense Account

The Common Security Trustee may place (for such time as it thinks prudent) any money received by it pursuant to this deed to the credit of a separate or suspense account (without liability to account for interest thereon) for so long and in such manner as the Common Security Trustee may from time to time determine without having any obligation to apply that money or any part of it in or towards discharge of the Secured Obligations.

11. PROTECTION OF THIRD PARTIES{ TC "11 PROTECTION OF THIRD PARTIES" \ 1 }

11.1 No duty to enquire

A buyer from, lessee or licensee or other person dealing with any Enforcement Party will not be concerned to enquire whether any of the powers which it has exercised or purported to exercise has arisen or become exercisable and may assume that it is acting in accordance with this deed.

11.2 Receipt conclusive

The receipt of the Common Security Trustee or any Receiver shall be an absolute and a conclusive discharge to a purchaser of the Secured Assets and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Common Security Trustee or any Receiver.

12. PROTECTION OF SECURITY TRUSTEE{ TC "12 PROTECTION OF SECURITY TRUSTEE" \ 1 }

12.1 Common Security Trustee's receipts

The Common Security Trustee shall not be obliged to account to the Chargor, nor to any other person, for anything other than its own actual receipts which have not been distributed or paid to the person entitled (or who the Common Security Trustee, acting reasonably, believes to be entitled) in accordance with the requirements of this deed.

12.2 Exclusion of liability

- 12.2.1 No Enforcement Party will be liable to the Chargor for any expense, loss liability or damage incurred by the Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers, except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.
- 12.2.2 The Chargor may not take any proceedings against any officer, employee or agent of any Enforcement Party in respect of any claim it might have against such Enforcement Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to this deed.
- 12.2.3 Any officer, employee or agent of any Enforcement Party may rely on this **clause 12.2** under the Third Parties Act.

12.3 Effect of possession

If the Common Security Trustee or any Receiver enters into possession of the Secured Assets or any of them, this will not oblige either the Common Security Trustee or the Receiver to account as mortgagee in possession, and if the Common Security Trustee enters into possession at any time of the Secured Assets or any of them it may at any time at its discretion go out of such possession.

13. POWER OF ATTORNEY{ TC "13 POWER OF ATTORNEY" \1 }

13.1 Grant of power

The Chargor Irrevocably and by way of security appoints the Common Security Trustee and each Receiver and any person nominated for the purpose by the Common Security Trustee or the Receiver (In writing, under hand, signed by an officer of the Common Security Trustee or by the Receiver) severally to be the attorney of the Chargor (with full power of substitution and delegation) for the purposes set out in **clause 13.2**.

13.2 Extent of power

The power of attorney granted in **clause 13.1** allows the Common Security Trustee, the Receiver or the relevant nominee, in the name of the Chargor, on its behalf, as its act and deed and at its expense to perfect the Security created by such Chargor under this deed and to execute and deliver (using such Chargor's seal where appropriate) any document or do any act or thing which the Chargor may, ought or has agreed to execute or do under this deed and has failed to do or which the attorney may in its absolute discretion consider appropriate in connection with the exercise of any of the rights, powers, authorities or discretions of the Common Security Trustee or the Receiver under, or otherwise for the purposes of, this deed.

13.3 Ratification

The Chargor covenants with the Common Security Trustee to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this **clause 13**

14. **APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS** { TC "14 APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS" \ 1 }

14.1 **Application of statutory covenants**

The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind the Chargor only if, in any case, the relevant covenant imposes upon the Chargor a burden, liability or obligation that would not otherwise arise under this deed.

14.2 **Conditions applicable to power of sale etc.**

14.2.1 For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of **clause 8 (Enforceability)**), the conditions set out in that section as to when such powers arise do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this deed; and

14.2.2 the Common Security Trustee and any Receiver may exercise the statutory power of sale conferred by the LPA free from the restrictions imposed by section 103 of the LPA, which shall not apply to this deed.

14.3 **Extension of powers of sale, etc.**

14.3.1 The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Common Security Trustee in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this deed.

14.3.2 The Common Security Trustee and any Receiver shall also have and enjoy all the other powers, privileges, rights and protections conferred by the LPA and the Insolvency Act on mortgagees, receivers or administrative receivers (each as amended and extended by this deed and whether or not a receiver or administrative receiver has been appointed) but so that if there is any ambiguity or conflict between the powers contained in such statutes and those contained in this deed, those contained in this deed shall prevail.

14.4 **Consolidation of mortgages**

The restriction on the consolidation of mortgages in Section 93 of the LPA does not apply to this deed nor to any security given to the Common Security Trustee pursuant to this deed.

14.5 **LPA provisions relating to appointment of Receiver**

Section 109(1) of the LPA shall not apply to this deed.

14.6 **Application of proceeds**

Sections 105, 107(2), 109(6) and 109(8) of the LPA will not apply to the Common Security Trustee nor to a Receiver appointed under this deed.

15. **OTHER MISCELLANEOUS PROVISIONS**{ TC "15
OTHER MISCELLANEOUS PROVISIONS" \ 1
}

15.1 **Powers, rights and remedies cumulative**

The powers, rights and remedies provided in this deed are in addition to (and not instead of), powers, rights and remedies under law.

15.2 **Exercise of powers, rights and remedies**

If an Enforcement Party fails to exercise any power, right or remedy under this deed or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power right or remedy again, fully or in part.

15.3 **Discretion**

15.3.1 The Common Security Trustee may decide:

15.3.1.1 whether and, if so, when, how and to what extent (i) to exercise its rights under this deed and (ii) to exercise any other right it might have in respect of the Chargor (or otherwise); and

15.3.1.2 when and how to apply any payments and distributions received for its own account under this deed,

and the Chargor has no right to control or restrict the Common Security Trustee's exercise of this discretion.

15.3.2 No provision of this deed will interfere with the Common Security Trustee's right to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated.

15.4 **Power to establish new account**

If the Common Security Trustee receives notice of a subsequent mortgage or charge relating to the Secured Assets, it will be entitled to close any account and to open a new account in respect of the closed account. If the Common Security Trustee does not open such new account, it will in any event be treated as if it had done so at the time when it received such notice.

15.5 **Information**

The Chargor authorises the holder of any prior or subsequent security to provide to the Common Security Trustee, and the Common Security Trustee to receive from such holder, details of the state of account between such holder and the Chargor.

15.6 **No assignment by Chargor**

The Chargor must not assign, novate or otherwise deal with its rights or obligations under or interests in this deed, except with the prior written consent of the Common Security Trustee.

15.7 **Transfer by Common Security Trustee**

- 15.7.1 The Common Security Trustee may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this deed in accordance with the terms of the Intercreditor Deed.
- 15.7.2 The Common Security Trustee may disclose any information about the Chargor, the Secured Property and/or this deed to any person to whom it proposes to assign or novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this deed; or with whom it proposes to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests.
- 15.7.3 Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this deed in the same way as if it had been a Party.

15.8 **Avoidance of settlements and other matters**

- 15.8.1 Any payment made by the Chargor, or settlement or discharge between the Chargor and the Common Security Trustee, is conditional upon no security or payment to the Common Security Trustee by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Common Security Trustee's other rights under this deed) the Common Security Trustee shall be entitled to recover from the Chargor the value which the Common Security Trustee has placed upon such security or the amount of any such payment as if such payment, settlement or discharge had not occurred.
- 15.8.2 If the Common Security Trustee, acting reasonably, considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in **clause 15.8.1**, then for the purposes of this deed such amount shall not be considered to have been irrevocably paid.

15.9 **Chargor's obligations**

Subject to **clause 3** (*Limited recourse*), the obligations of the Chargor under **clause 1.5.2** (*Covenant to pay*) are unconditional and neither the provisions of this deed nor the obligations of the Chargor will be affected by the occurrence or existence at any time of any of the following events or circumstances or by any person's knowledge or lack of knowledge as to any such matter: (a) any person's insolvency or lack of capacity, power or authority; (b) any unenforceability, illegality or invalidity of any obligation of any person; (c) any change in the constitution, membership, ownership, legal form, name or status of any person; (d) the making, amendment or termination of any other deed or agreement; (e) any amendment, novation, re-statement or substitution of, or any supplement to, any other deed or agreement; (f) any increase or reduction in the amount of any person's indebtedness or any alteration of any term, condition or arrangement in respect of any person's indebtedness; (g) any person taking or omitting to take any steps in relation to (i) the Chargor or any other person, (ii) any of the Secured Obligations, (iii) any Security, guarantee or other financial support in respect of any indebtedness and/or (iv) any other asset; or (h)

anything else which, although it could affect the liability of a surety, would not affect the liability of a principal debtor.

15.10 Release of security

On the Discharge Date (but subject to **clause 15.7.1** (*Avoidance of settlements and other matters*)) the Common Security Trustee shall at the cost of the Chargor execute and do all deeds, acts and things as may be necessary to release the Secured Assets from the security constituted hereby or pursuant hereto and re-assign the Secured Assets to the Chargor.

15.11 Immediate recourse

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

15.12 Non-competition

15.12.1 Unless the Common Security Trustee otherwise directs, the Chargor shall not at any time during the Security Period exercise any rights which it may have by reason of performance by it of its obligations under this deed or by reason of any amount being payable, or liability arising, under this deed:

15.12.1.1 to be indemnified by any other person;

15.12.1.2 to claim any contribution from any guarantor of the Secured Obligations or any person's obligations under any Finance Document;

15.12.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other guarantee or Security taken pursuant to, or in connection with, any Finance Document by any Finance Party;

15.12.1.4 to bring legal or other proceedings for an order requiring any person to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity or granted any Security under this deed;

15.12.1.5 to exercise any right of set-off against any other person; and/or

15.12.1.6 to claim or prove as a creditor of any person in competition with any Finance Party.

15.13 If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by it under or in connection with this deed to be repaid in full on trust for the

Finance Parties and shall promptly pay or transfer the same to the Common Security Trustee or as the Common Security Trustee may direct for application in accordance with Clause 10 (Application of proceeds).

15.14 Communications

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this deed is:

15.14.1 in the case of each of the Chargor and the Common Security Trustee, that specified on the execution page(s) of this deed; and

15.14.2 in the case of each Receiver and each Delegate, those notified in writing to the Common Security Trustee (whether in that capacity or in any other capacity) by such Receiver or Delegate (or by the Common Security Trustee on its behalf) as soon as practicable after its appointment,

or any substitute address, fax number or department or officer as the relevant person may notify to the Common Security Trustee (or as the Common Security Trustee may notify to the other Parties, if a change is made by the Common Security Trustee) by not less than 5 Business Days' notice.

16. **GOVERNING LAW**{ TC "16 GOVERNING LAW" \ 1 }

16.1 Governing law

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

17. **THIS DEED**{ TC "17 THIS DEED" \ 1 }

17.1 Consideration

18. The Chargor has entered into this deed at the request of and in consideration of the Secured Parties or some of them agreeing to provide (or to continue to provide) finance facilities to LR (York) Limited on the terms agreed between them.

18.1 Execution of this deed - formalities

This deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

18.2 Partial invalidity

18.2.1 If, at any time, any provision of this deed is or is found to have been illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this does not affect the legality, validity or enforceability of the other provisions of this deed, nor the legality, validity or enforceability of the affected provision under the law of any other jurisdiction.

18.2.2 If any Party is not bound by this deed (or any part of it) for any reason, this does not affect the obligations of each other Party under this deed (or under the relevant part).

18.3 Conflict

If there is any conflict between the provisions of the Intercreditor Deed and the provisions of this deed, the provisions of the Intercreditor Deed shall prevail.

18.4 Other security

This deed is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other security or guarantee which the Common Security Trustee may now or at any time after the date of this deed hold for or in respect of the Secured Obligations.

18.5 Ownership of this deed

This deed and every counterpart is the property of the Common Security Trustee.

This document is executed as a deed and delivered on the date stated at the beginning of this Deed.

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SCHEDULE 1{ TC SCHEDULES \L

4 \N }

Subordinated Loans{ TC "1

Subordinated Loans" \1 3 }

	Brief description of Subordinated Loan	Date of Subordinated Loan	Parties to Subordinated Loan (Include addresses for service of notices of those parties who are not parties to this deed)
1	£15,000,000 subordinated loan agreement	On or around the date of this deed	(1) the Chargor (2) LR (York) Limited

Form of notice to Contract Parties{ TC "2
Form of notice to Contract Parties" \1 3
}

To: [name and address of Contract Party]

Dated: [date]

Dear Sirs,

[here identify relevant Subordinated Loan] [the "Contract"] made between (1) [Chargor] (the "Chargor" and (2) [LR (York) Limited]

We [Chargor] hereby notify you that by a deed dated [date] (the "Deed") made by the Chargor in favour of [Security Trustee] (the "Security Trustee") the Chargor has assigned and charged to the Common Security Trustee as first priority assignee and chargee all of the Chargor's rights, title and interest in the Contract and in the proceeds of the Contract from time to time in whatever form they may be including, without limitation, all monies receivable by the Chargor under, or otherwise arising out of, or evidenced by, the Contract as security for certain obligations now or hereafter owed by the Chargor to the Common Security Trustee.

[We further notify and irrevocably and unconditionally instruct and authorise you that:

1. the Chargor may not agree to amend, modify or terminate the Contract without the prior written consent of the Common Security Trustee;
2. the Deed provides that you may not be released from your obligations under the Contract, nor may any rights of the Chargor be waived, in any case without the prior consent of the Common Security Trustee being obtained
3. subject to **paragraph 1**, the Deed provides that, subject to the terms of the Subordination Agreement, you may continue to deal with the Chargor in relation to the Contract until you receive written notice to the contrary from the Common Security Trustee. Thereafter the Chargor will cease to have any right to deal with you in relation to the Contract and therefore from that time you should deal only with the Common Security Trustee;
4. [notwithstanding the foregoing the Chargor shall continue to be liable for the performance and discharge of all obligations under the Contract in accordance with its terms and the Deed provides that the Common Security Trustee shall be under no obligation of any kind in respect of the Contract or such obligations;]
5. you are authorised to disclose information in relation to the Contract to the Common Security Trustee on request without any enquiry by you as to the justification for such disclosure or reference to or further authority from the Chargor;
6. you must supply copies of all notices and other information under the Contract to the Common Security Trustee; and

7. the provisions of this notice may only be revoked with the written consent of the Common Security Trustee.]

Please sign and return the enclosed copy of this notice to the Common Security Trustee (with a copy to the Chargor) by way of confirmation that[:

- A.]you have not received notice that the Chargor has assigned its rights under the Contract to a third party or created any other interest (whether by way or security or otherwise) in the Contract in favour of a third party[; and
- B. you agree to the terms set out in this notice and to act in accordance with its provisions].

The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,
for and on behalf of
[Chargor]

To: [name and address of Security Trustee]

Copy to:[name and addresses of Chargor]

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs A and B above.

Signed:.....

for and on behalf of [name of Contract Party]

Dated: [date]

Receiver's specific powers{ TC "3

Receiver's specific powers" \1 3 }

The Receiver will have full power and authority:

1. **POSSESSION**

- 1.1 to enter upon, take possession of the Secured Assets;
- 1.2 to collect and get in all rents, fees, charges or other income of the Secured Assets;

2. **SALE AND DISPOSAL**

without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with and dispose of the Secured Assets or any property acquired in exercise of its powers under this deed;

3. **BORROWING**

for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this deed and/or for defraying any losses or expenses which may be incurred by him in their exercise or for any other purpose, to raise or borrow moneys from the Secured Parties or others or incur any other liability on such terms, whether secured or unsecured, as he may think fit, and whether to rank in priority to this security or not:

4. **EMPLOYMENT ETC.**

to appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this deed or to guard or protect the Secured Assets upon such terms as to remuneration or otherwise as he may think fit and to discharge any such persons appointed by the Chargor prior to his appointment;

5. **LEGAL ACTIONS AND COMPROMISES**

- 5.1 in the name of the Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to the Chargor, the business of the Chargor or the Secured Assets as in any case he shall think fit;
- 5.2 to settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the Chargor or relating in any way to the Secured Assets;

6. **RECEIPTS**

to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Secured Assets;

7. **CONTRACTS**

to enter into, vary, cancel or waive any of the provisions of any contracts which he shall in any case think expedient in the interests of the Chargor or the Common Security Trustee;

8. **SUPPLIES**

to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;

9. **INSURANCES AND BONDS**

to insure the Secured Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver shall think fit, and obtain bonds and give indemnities and security to any bondsmen;

10. **FORM COMPANY**

10.1 to promote or establish any company or to acquire shares in any company (whether as a subsidiary of the Chargor or otherwise) to facilitate the exercise of his powers under this deed;

10.2 to transfer to any such company all or any of the Secured Assets or other assets acquired by the Receiver in exercise of his powers;

10.3 to exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company;

11. **TRANSACTION**

to carry into effect and complete any transaction;

12. **REDEEM SECURITY**

to redeem any prior security (or procure the transfer of such security to an Enforcement Party) and settle and pass the accounts of the person entitled to the prior security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;

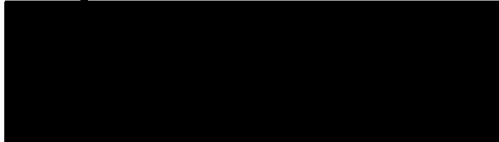
13. **GENERAL**

either in the name of the Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Secured Assets.

EXECUTION

The Chargor

Signed as a deed by Leonard Sebastian as attorney for **LONDON AND REGIONAL PROPERTIES LIMITED**



Communications to be delivered to:

Address: Floor 8 South
55 Baker Street
London W1U 8EW

in the presence of:

Attention: Leonard Sebastian

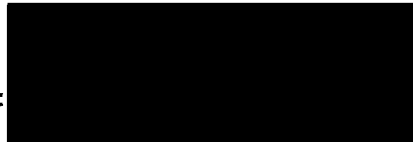
Witness Signature:



Witness Name:

Jacqueline L...

Witness Address:



Witness Occupation:

The Common Security Trustee

Executed as a deed by
as attorney for **SANTANDER UK PLC,**
in the presence of:

)
)
)

_____ as attorney for **SANTANDER UK PLC**

Witness signature:

Witness Name:

Witness Address:

Communications to be delivered to:

Address: Santander Corporate Bank
17 Ulster Terrace
Regent's Park
London NW1 4PJ

Witness Occupation:

Attention: Head of Hotels, Healthcare and
Leisure Financing

EXECUTION

The Chargor

Signed as a deed by Leonard Sebastian as attorney for **LONDON AND REGIONAL PROPERTIES LIMITED**

Communications to be delivered to:

Address: Floor 8 South
55 Baker Street
London W1U 8EW

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

Witness Occupation:

Attention: Leonard Sebastian

The Common Security Trustee

Executed as a deed by)
as attorney for **SANTANDER UK PLC,**)
in the presence of:)



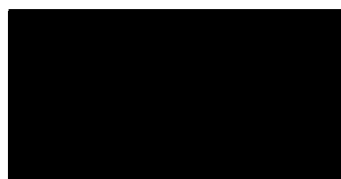
_____ as attorney for **SANTANDER UK PLC**

Witness signature:



Witness Name: *NATALIE THORN*

Witness Address:



Witness Occupation:



Communications to be delivered to:

Address: Santander Corporate Bank
17 Ulster Terrace
Regent's Park
London NW1 4PJ

Attention: Head of Hotels, Healthcare and
Leisure Financing

