

MG01

Particulars of a mortgage or charge

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LASERFORM

A fee is payable with this form.

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page



What this form is for

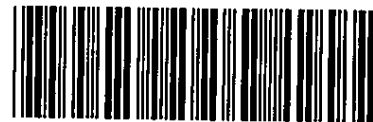
You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland



What this form is NOT for

You cannot use this form to register
particulars of a charge for a Scottish
company. To do this, please use
form MG01s

FRIDAY



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A10

02/12/2011

123

COMPANIES HOUSE

1

Company details

Company number

0 3 4 6 2 6 7 5

Company name in full

Morgans Hotel Group London Limited (the "Chargor")

1 0

For official use

Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2

Date of creation of charge

Date of creation

d2 d3 m1 m1 y2 y0 y1 y1

3

Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

Debenture (the "Deed")

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

All present and future obligations and liabilities (whether actual or
contingent and whether owed jointly or severally or alone or in any
other capacity whatsoever) of the Chargor to the Secured Parties (or
any of them) under or pursuant to any Finance Document (including
all monies covenanted to be paid under the Deed) (the "Secured
Obligations")

(see continuation page)

Continuation page

Please use a continuation page if
you need to enter more details

MG01**Particulars of a mortgage or charge****5****Mortgagee(s) or person(s) entitled to the charge (if any)**

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page
Please use a continuation page if you need to enter more details

Name Aareal Bank AG (the "**Security Agent**")

Address Paulinenstrasse 15, 65189, Wiesbaden, Germany

Postcode

Name

Address

Postcode

6**Short particulars of all the property mortgaged or charged**

Please give the short particulars of the property mortgaged or charged

Continuation page
Please use a continuation page if you need to enter more details

Short particulars

1. GRANT OF SECURITY**1.1 Nature of security**

All Security and dispositions created or made by or pursuant to the Deed are created or made

(a) in favour of the Security Agent,

(b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and

(c) as continuing security for payment of the Secured Obligations.

1.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to the Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986)

(see continuation page)

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Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>"Account" means each of</p> <ul style="list-style-type: none"> (a) the Covenant Cure Account, (b) the Deposit Account, (c) the FF&E Account (St Martin's Lane) (d) the FF&E Account (Sanderson), (e) the General Account, (f) the Insurance Proceeds Account, and (g) the Mandatory Prepayment Account, <p>"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company,</p> <p>"Agent" means Aareal Bank AG (as Agent under the Facility Agreement),</p> <p>"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 of the Deed,</p> <p>"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration,</p> <p>"Cash Collateral Accounts" means each Account other than the General Account and the FF&E Accounts, including but not limited to the accounts (if any) specified as such in part 3 of the Schedule below,</p> <p>"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,</p> <p>"Charged Property" as defined in the Facility Agreement,</p> <p>"Charged Securities" means</p> <ul style="list-style-type: none"> (a) the securities specified in part 2 of the Schedule below, and (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of the Deed) now or in future owned (legally or beneficially) by the Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time, <p>"Collection Account" has the meaning given to that term in clause 11.7(a) of the Deed;</p> <p>"Company" means Morgans Hotel Group London Limited (to be renamed Capital Hill Hotels Group London Limited) a company registered in England and Wales with number 03462675 and</p>	

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Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>with its registered office at 10 Norwich Street, London EC4A 1BD</p> <p>"Covenant Cure Account" as defined in the Facility Agreement,</p> <p>"Debenture Security" means the Security created or evidenced by or pursuant to the Deed,</p> <p>"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent or by a Receiver,</p> <p>"Deposit Account" as defined in the Facility Agreement,</p> <p>"Event of Default" means any event or circumstance specified as such in clause 25 (Events of Default) of the Facility Agreement,</p> <p>"Facility Agreement" means the facility agreement dated 23 November 2011 and made between (1) Morgans Hotel Group London Limited as Company, (2) Aareal Bank AG as Arranger, (3) the financial institutions listed in schedule 1 to it as Original Lenders, (4) Aareal Bank AG as Agent and (5) the Security Agent, pursuant to which the Original Lenders agreed to make certain facilities available to the Company,</p> <p>"Finance Document" means</p> <ul style="list-style-type: none"> (a) the Facility Agreement, (b) any Compliance Certificate, (c) any Hedging Agreement or Hedging Letter, (d) the Intercreditor Agreement and any accession deed entered into pursuant to it; (e) any Transaction Security Document, (f) any Utilisation Request, (g) the Subordination Deed (each as defined under the Facility Agreement), and (h) any other document designated as a "Finance Document" by the Agent and the Company, <p>"Finance Party" means the Agent, the Arranger, the Security Agent, a Lender or a Hedge Counterparty,</p> <p>"FF&E Accounts" means the FF&E Account (St Martin's Lane) and the FF&E Account (Sanderson),</p> <p>"FF&E Account (Sanderson)" as defined in the Facility Agreement,</p> <p>"FF&E Account (St Martin's Lane)" as defined in the Facility Agreement,</p> <p>"General Account" is as defined by the Facility Agreement,</p>	

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>"Headlease" has the meaning given to that term in the Facility Agreement,</p> <p>"Hedge Counterparty" means a Lender, an Affiliate of a Lender or another person acceptable to the Agent which is or has become a party to the Intercreditor Agreement as a Hedge Counterparty in accordance with the Intercreditor Agreement,</p> <p>"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary,</p> <p>"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor, or in which the Chargor from time to time has an interest (including, without limitation the policies of insurance (if any) specified in part 4 of the Schedule below,</p> <p>"Insurance Proceeds Account" as defined in the Facility Agreement,</p> <p>"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to</p> <p>(a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered, and</p> <p>(b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist),</p> <p>"Intercreditor Agreement" as defined in the Facility Agreement,</p> <p>"Lease" as defined in the Facility Agreement,</p> <p>"Lender" has the meaning given to that term in the Facility Agreement,</p> <p>"Loss of Rent Insurance Proceeds" has the meaning given to that term in the Facility Agreement,</p> <p>"Management Agreement" has the meaning given to that term in the Facility Agreement,</p> <p>"Mandatory Prepayment Account" as defined in the Facility Agreement,</p> <p>"Non-Disturbance Agreement" means the subordination and non-disturbance agreements to be entered into between the Operator, the Company and the Security Agent in the agreed form,</p> <p>"Operator" means Morgans Hotel Group UK Management Limited or any replacement operator of the Charged Properties approved by the Agent (acting reasonably) which enters into a Non-Disturbance Agreement,</p> <p>"Original Lenders" means Aareal Bank AG,</p> <p>"Party" means a party to the Facility Agreement,</p>	

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Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>"Permitted Security" means any Security</p> <ul style="list-style-type: none"> (a) created under the Transaction Security Documents, (b) which is a lien arising by the operation of law in the ordinary course of its business on assets of the Company other than any Charged Property <ul style="list-style-type: none"> (i) which is in any event discharged within 30 days; and (ii) which has not arisen as a result of any default or omission by the Company, or (c) created with the prior written consent of the Agent, <p>"Prohibited Party" as defined in the Facility Agreement,</p> <p>"Property" as defined in the Facility Agreement,</p> <p>"Quasi-Security" has the meaning given to that term in clause 22.13 of the Facility Agreement,</p> <p>"Receivables" means all present and future book debts and other debts, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever), together with</p> <ul style="list-style-type: none"> (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and (b) all proceeds of any of the foregoing, <p>"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Agent,</p> <p>"Related Rights" means, in relation to any Charged Security</p> <ul style="list-style-type: none"> (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise, <p>"Relevant Contract" means.</p> <ul style="list-style-type: none"> (a) each Hedging Agreement, and (b) the Management Agreement described in the definition thereof in the Facility Agreement, <p>"Rental Income" means all amounts arising from the letting, use or occupation of any Charged</p>	

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Particulars of a mortgage or charge

4	Amount secured	
	Please give us details of the amount secured by the mortgage or charge	
Amount secured	<p>Property including (but without double-counting)</p> <ul style="list-style-type: none"> (a) rents, licence fees and equivalent sums reserved or made payable, (b) sums received from any deposit held as security for performance of any Tenant's obligations, (c) any other monies payable in respect of use and/or occupation, (d) any sum allowed or apportionment made in respect of rent in favour of the purchaser of any Charged Property, (e) Loss of Rent Insurance Proceeds, (f) any VAT, (g) sums paid as reimbursement of expenses incurred or on account of expenses to be incurred in <ul style="list-style-type: none"> (i) the management, maintenance and repair, (ii) the provision of services in respect, and (iii) the payment of premiums and other costs associated with the insurance, of any of the Charged Properties, (h) proceeds paid for a breach of covenant under any Lease of any Charged Property and for expenses incurred in relation to any such breach, (i) any contribution to a sinking fund paid by a Tenant, (j) any contribution by a Tenant to ground rent due under any Headlease, (k) any payment from a guarantor or other surety in respect of any of the items listed in this definition, (l) interest, damages or compensation in respect of any of the items in this definition, <p>"Real Property" means all Real Property (as defined in the Facility Agreement) now or in future belonging to the Chargor, or in which the Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of the Schedule below,</p> <p>"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,</p> <p>"Security Agent" means Aareal Bank AG,</p> <p>"Security Assets" means all property and assets from time to time mortgaged, charged or assigned</p>	

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Particulars of a mortgage or charge

4	Amount secured	Please give us details of the amount secured by the mortgage or charge
Amount secured	<p>(or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed,</p> <p>"Secured Parties" means each Finance Party from time to time and any Receiver or Delegate,</p> <p>"Security Period" means the period beginning on the date of the Deed and ending on the date on which</p> <p>(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and</p> <p>(b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents,</p> <p>"Subsidiary" of a company or corporation means any company or corporation</p> <p>(a) which is controlled, directly or indirectly, by the first-mentioned company or corporation, or</p> <p>(b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation, or</p> <p>(c) which is a subsidiary of another subsidiary of the first-mentioned company or corporation,</p> <p>and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body,</p> <p>"Tenant" means as defined in the Facility Agreement,</p> <p>"Transaction Security Documents" means</p> <p>(a) a first and only fixed legal charge over the Property,</p> <p>(b) a first and only debenture containing fixed and floating charges over all the assets and undertaking of the Company,</p> <p>(c) a first and only charge over each Account,</p> <p>(d) the Non-Disturbance Agreement,</p> <p>(e) a security assignment of the benefit of the Hedging Agreements,</p> <p>(f) a first and only third party Security over all the shares in the Company,</p> <p>(g) any other document designated as such by the Company and the Agent,</p> <p>each in favour of the Security Agent and in the agreed form, together with any other document entered into by the Company creating or expressed to create any Security in favour of any Finance Party in relation to the obligations of the Company under any Finance Document, and</p>	

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Particulars of a mortgage or charge

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

Schedule

Part 1: Real Property

Registered land		
Address	Administrative Area	Title number
Hotel St Martin's Lane, London	Greater London	379553
Hotel Sanderson, London	Greater London	NGL748048

Part 2: Charged Securities

None

Part 3: Charged Accounts

Cash Collateral Accounts				
Account holder	Account number	Type	Account Bank	Account bank branch address and sort code
Morgans Hotel Group London Limited	Confidential	Covenant Cure Account	National Westminster Bank plc	Marylebone High Street 50-30-25
Morgans Hotel Group London Limited	Confidential	Deposit Account	National Westminster Bank plc	Marylebone High Street 50-30-25
Morgans Hotel Group London Limited	Confidential	Insurance Proceeds Account	National Westminster Bank plc	Marylebone High Street 50-30-25

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Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

Morgans Hotel Group London Limited	Confidential	Mandatory Prepayment Account	National Westminster Bank plc	Marylebone High Street 50-30-25
General Account				
Account holder	Account number	Account Bank	Account bank branch address and sort code	
Morgans Hotel Group London Limited	Sanderson Operating Account Confidential St Martins Lane Operating Account Confidential	National Westminster Bank plc	Marylebone High Street 50-30-25	
Morgans Hotel Group London Limited	Sanderson Reserve Account Confidential MHG London Euro Account Confidential			
Morgans Hotel Group London Limited	General Account - Business Confidential			

Part 4: Insurances

Insurer	Policy number
ACE European Group Limited	UKCASC42005
Lloyds of London	PP1002104000
Lexington Insurance Co	017728092
Princeton Excess and Surplus Insurance Co	78A3XP0000221-01
Lloyds of London	PP1002105000
Lancashire	PP1002106000
Arch Specialty Insurance Co	PRP0039110-00
Homeland Insurance Co of NY / Traders & General Insurance Co	YSP3050 / YSP3051
Maiden Specialty Insurance Co	SZLPY00445005

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Particulars of a mortgage or charge

4	Amount secured			
Please give us details of the amount secured by the mortgage or charge				
Amount secured	<table border="1"><tr><td data-bbox="363 443 917 492">Lexington Insurance Company</td><td data-bbox="917 443 1289 492">015802289</td></tr></table>		Lexington Insurance Company	015802289
			Lexington Insurance Company	015802289

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>2. FIXED SECURITY</p> <p>2.1 Fixed charges</p> <p>The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest</p> <p>(a) by way of first legal mortgage</p> <p>(i) the Real Property specified in part 1 of the Schedule below, and</p> <p>(ii) all other Real Property (if any) at the date of the Deed vested in, or charged to, the Chargor (not charged by clause 2 1(a)(i)),</p> <p>(b) by way of first fixed charge</p> <p>(i) all other Real Property and all interests in Real Property (not charged by clause 2 1(a)),</p> <p>(ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, and</p> <p>(iii) the proceeds of sale of all Real Property,</p> <p>(iv) the benefit of any rental deposit given or charged to the Chargor by any occupier of any Real Property,</p> <p>(c) by way of first fixed charge all plant and machinery (not charged by clause 2 1(a) or 2 1(b)) located on any Real Property and the benefit of all contracts, licences and warranties relating to the same,</p> <p>(d) by way of first fixed charge</p> <p>(i) all computers, vehicles, office equipment and other equipment (not charged by clause 2 1(c)), and</p> <p>(ii) the benefit of all contracts, licences and warranties relating to the same,</p> <p>(e) by way of first fixed charge</p> <p>(i) the Charged Securities referred to in part 2 of the Schedule below, and</p> <p>(ii) all other Charged Securities (not charged by clause 2 1(e)(i)),</p> <p>in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments,</p> <p>(f) by way of first fixed charge</p> <p>(i) the Cash Collateral Accounts and all monies at any time standing to the credit of the Cash</p>	

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

Collateral Accounts,

(ii) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts,

(iii) all other accounts of the Chargor (other than the General Account and the FF&E Accounts) with any bank, financial institution or other person at any time (not charged by clauses 2 1(f)(i) or 2 1(f)(ii)) and all monies at any time standing to the credit of such accounts,

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,

(g) by way of first fixed charge the Intellectual Property;

(h) to the extent that any Assigned Asset is not effectively assigned under clause 2 2 (Security assignments), by way of first fixed charge such Assigned Asset,

(i) by way of first fixed charge (to the extent not otherwise charged or assigned in the Deed)

(i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets, and

(ii) all building contracts, appointments of professionals, collateral warranties and all rights in respect of any of them,

(iii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it, and

(j) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor

2.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to

(a) all Rental Income (to the extent not validly mortgaged or charged within any of clauses 2 1 (a) or 2 1(b)),

(b) the Relevant Contracts, all rights and remedies in connection with the Relevant Contracts and all proceeds and claims arising from them,

(c) each of the following

(i) all Insurances specified in part 4 of the Schedule below, and

(ii) all other Insurances (not assigned by clause 2 2(c)(i)),

and all claims under the Insurances and all proceeds of the Insurances, and

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>(d) all other Receivables (not otherwise assigned under this clause 2 2)</p> <p>To the extent that any Assigned Asset described in clause 2 2(c) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances</p> <p>2.3 Notice of assignment and/or charge - immediate notice</p> <p>Immediately upon execution of the Deed (and immediately upon the obtaining of any Insurance or the execution of any Hedging Agreement or the opening of any Charged Account after the date of the Deed) the Chargor shall</p> <p>(a) in respect of each Charged Account deliver a duly completed notice to the Account Bank and use its reasonable endeavours to procure that the Account Bank executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 2 of the Deed (<i>Form of notice to and acknowledgement from Account Bank</i>),</p> <p>(b) in respect of each Lease to which it is a party, deliver a duly completed notice to each tenant and each other party to that Lease and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 3 of the Deed (<i>Form of notice to and acknowledgement by tenant</i>),</p> <p>(c) in respect of each Hedging Agreement, deliver a duly completed notice of assignment to each other party to that Hedging Agreement, and use its reasonable endeavours to procure that each such person executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 4 of the Deed (<i>Form of notice to and acknowledgement from hedging counterparty</i>),</p> <p>(d) in respect of each other Relevant Contract deliver a duly completed notice of assignment to each other party to that document when required to do so by the Security Agent (and the Security Agent agrees that it will not so require unless an Event of Default has occurred and is continuing), and use its reasonable endeavours to procure that each such party executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 5 of the Deed (<i>Form of notice to and acknowledgment by party to Relevant Contract</i>),</p> <p>(e) in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 6 of the Deed(<i>Form of notice to and acknowledgement by insurers</i>), and</p> <p>or, in each case, in such other form as the Security Agent shall agree</p> <p>2.4 Assigned Assets</p> <p>The Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant Contract against any person or to make any enquiries as to the</p>	

6

Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

nature or sufficiency of any payment received by it pursuant to the Deed

3. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future

(a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 2.1 (Fixed charges), clause 2.2 (Security assignments) or any other provision of the Deed, and

(b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland

4. CONVERSION OF FLOATING CHARGE

4.1 Conversion by notice

The Security Agent may, by written notice to the Chargor, convert the floating charge created under the Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if

(a) an Event of Default has occurred and is continuing, or

(b) the Security Agent considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy

4.2 Small companies

The floating charge created under the Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor

4.3 Automatic conversion

The floating charge created under the Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge

(a) in relation to any Security Asset which is subject to a floating charge if

(i) the Chargor creates (or attempts or purports to create) any Security (other than a Permitted Security) on or over the relevant Security Asset without the prior written consent of the Security Agent, or

(ii) any third party levies or attempts to levy any distress, execution, attachment or other legal

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Particulars of a mortgage or charge

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Short particulars	Please give the short particulars of the property mortgaged or charged	
	<p>process against any such Security Asset, and</p> <p>(b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)</p> <p>4.4 Partial conversion</p> <p>The giving of a notice by the Security Agent pursuant to clause 4.1 (Conversion by notice) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Secured Parties</p> <p>5. CONTINUING SECURITY</p> <p>5.1 Continuing security</p> <p>The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. The Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.</p> <p>5.2 Additional and separate security</p> <p>The Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which any Secured Party may at any time hold for any Secured Obligation.</p> <p>5.3 Right to enforce</p> <p>The Deed may be enforced against the Chargor without any Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.</p> <p>6. UNDERTAKINGS BY THE CHARGOR</p> <p>6.1 Negative pledge and disposals</p> <p>The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Agent:</p> <p>(a) create or permit to subsist any Security or Quasi-Security on any Security Asset except a Permitted Security, or</p> <p>(b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except as permitted or consented to under the Facility Agreement)</p>	

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Particulars of a mortgage or charge

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

7. SET-OFF

7.1 Set-off rights

(a) Each Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Secured Party by the Chargor) against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation

(b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 7.1(a)), each Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation

(c) If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off

(d) If either obligation is unliquidated or unascertained, the Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation

7.2 Time deposits

Without prejudice to clause 7.1 (Set-off), if any time deposit matures on any account which the Chargor has with any Secured Party at a time within the Security Period when

(a) this Debenture Security has become enforceable, and

(b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Secured Party in its absolute discretion considers appropriate unless the Secured Party otherwise agrees in writing

8. FURTHER ASSURANCES

8.1 Further action

The Chargor shall at its own expense, immediately do all acts and execute all documents as the Security Agent or a Receiver may reasonably specify (and in such form as the Security Agent or a Receiver may reasonably require) for

(a) creating, perfecting or protecting the Security intended to be created by the Deed or any other Transaction Security Document,

(b) facilitating the realisation of any Security Asset,

(c) facilitating the exercise of any rights, powers and remedies exercisable by the Security

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
Short particulars	<p data-bbox="323 342 1042 371">Please give the short particulars of the property mortgaged or charged</p> <p data-bbox="323 443 1513 506">Agent, any other Secured Party or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law, or</p> <p data-bbox="323 539 1513 667">(d) creating and perfecting Security in favour of the Security Agent or the other Secured Parties over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to the Deed or any other Transaction Security Document</p> <p data-bbox="323 701 480 730">This includes</p> <p data-bbox="323 763 1513 1021">(i) the re-execution of the Deed or such Transaction Security Document, (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Agent or to its nominee, and (iii) the giving of any notice, order or direction and the making of any filing or registration, which is necessary for the purposes of the rights set out above</p> <p data-bbox="323 1055 667 1084">8.2 Finance Documents</p> <p data-bbox="323 1120 1513 1247">The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to the Finance Documents</p> <p data-bbox="323 1281 624 1310">8.3 Specific security</p> <p data-bbox="323 1346 1513 1507">Without prejudice to the generality of clause 8.1 (Further action), the Chargor will immediately upon request by the Security Agent execute any document contemplated by and necessary for that clause over any Security Asset which is subject to or intended to be subject to any fixed security under the Deed (including any fixed security arising or intended to arise pursuant to clause 4 (Conversion of floating charge))</p> <p data-bbox="323 1608 751 1637">9. POWER OF ATTORNEY</p> <p data-bbox="323 1673 1513 1834">The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of the Debenture Security has occurred which the Chargor is obliged to take under the Deed, including under clause 8 (Further assurances) The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause</p> <p data-bbox="323 1935 783 1964">10. CHANGES TO THE PARTIES</p> <p data-bbox="323 2000 488 2029">10.1 Chargor</p>

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
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Please give the short particulars of the property mortgaged or charged
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Short particulars

The Chargor may not assign any of its rights or obligations under the Deed

10.2 Security Agent

The Security Agent may assign or transfer all or any part of its rights under the Deed (other than to a Prohibited Party) pursuant to the resignation or removal of the Security Agent in accordance with the Intercreditor Agreement. The Chargor shall, immediately upon being requested to do so by the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

11. TACKING

- (a) Each Finance Party shall perform its obligations under the Facility Agreement (including any obligation to make available further advances)
- (b) The Deed secures advances already made and further advances to be made

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Particulars of a mortgage or charge

7	Particulars as to commission, allowance or discount (if any)	
Commission, allowance or discount	<p>Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his</p> <ul style="list-style-type: none">- subscribing or agreeing to subscribe, whether absolutely or conditionally, or- procuring or agreeing to procure subscriptions, whether absolute or conditional, <p>for any debentures included in this return The rate of interest payable under the terms of the debentures should not be entered</p> <p>NIL</p>	
8	Delivery of instrument	
	<p>You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860) If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 870)</p> <p>We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 866) The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it Where a body corporate gives the verification, an officer of that body must sign it We will also accept a verified copy where section 867(2) applies (property situated in another part of UK)</p>	
9	Signature	
Signature	<p>Please sign the form here</p> <p>Signature</p> <p>X <i>DLA Amer UK LLP</i> X</p> <p>This form must be signed by a person with an interest in the registration of the charge</p>	

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Particulars of a mortgage or charge

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name James Blackwell 74987/120009

Company name DLA Piper UK LLP

Address 3 Noble Street

London

Post town

County/Region

Postcode

E C 2 V 7 E E

Country

DX DX: 33866 Finsbury Square

Telephone 08700 111 111

Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee

Important information

Please note that all information on this form will appear on the public record

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge

Make cheques or postal orders payable to 'Companies House'

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 3462675
CHARGE NO. 10**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 23
NOVEMBER 2011 AND CREATED BY MORGANS HOTEL GROUP
LONDON LIMITED FOR SECURING ALL MONIES DUE OR TO
BECOME DUE FROM THE COMPANY TO THE SECURED
PARTIES (OR ANY OF THEM) ON ANY ACCOUNT
WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART 25 OF THE
COMPANIES ACT 2006 ON THE 2 DECEMBER 2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7 DECEMBER
2011

DX



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES