

149705/26
MG01

Particulars of a mortgage or charge



IRIS
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
company. To do this, please
use form MG01s

FRIDAY



A06

AZLSVLXZ

23/07/2010

311

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")



9

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



d1 d5 m0 m7 y2 y0 y1 y0

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 pages)

Continuation page

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

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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 were 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).

2. FIXED SECURITY

2.1 Fixed charges

The Chargor charged and agreed 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:

(a) by way of first legal mortgage:

(i) the Real Property specified in part 1 of schedule 1 (Details of Security Assets) to the Deed (and copied to this form); and

(ii) all other Real Property (if any) at the date of the Deed vested in, or charged to, the Chargor (not charged by clause 4.1(a)(i)) of the Deed,

(see continuation pages)

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7 Particulars as to commission, allowance or discount (if any)

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

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

Nil

8 Delivery of instrument

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 866).

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 870). 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).

9 Signature

Please sign the form here

Signature

Signature

X 

X

This form must be signed by a person with an interest in the registration of the charge

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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 Alasdair Hinds

Company name DLA Piper UK LLP

Address 3 Noble Street

Post town London

County/Region

Postcode

E	C	2	V		7	E	E
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Country UK

DX DX 33866 Finsbury Square

Telephone 020 7796 6107

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

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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>NOTE.</p> <p>In this form</p> <p>"Account" means each of</p> <ul style="list-style-type: none"> (a) the Covenant Cure Account (as defined by the Facility Agreement), (b) the Deposit Account (as defined by the Facility Agreement), (c) the FF&E Account (St Martin's Lane) (d) the FF&E Account (Sanderson); (e) the General Account; (f) the Insurance Proceeds Account (as defined by the Facility Agreement); <p>and</p> <ul style="list-style-type: none"> (g) the Mandatory Prepayment Account (as defined by the Facility Agreement), <p>"Agent" means Aareal Bank AG (as the 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 (Security assignments),</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 schedule 1 of the Deed (Details of Security Assets);</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" has the meaning given to that term in the Facility Agreement,</p> <p>"Charged Securities" means.</p> <ul style="list-style-type: none"> (a) the securities specified in part 2 of schedule 1 of the Deed (Details of Security Assets); 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 (as the Company under 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>	

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Particulars of a mortgage or charge

4	Amount secured	
Amount secured		Please give us details of the amount secured by the mortgage or charge
	<p>"Event of Default" means any event or circumstance specified as such in clause 25 of the Facility Agreement (Events of Default),</p> <p>"FF&E Accounts" means the FF&E Account (St Martin's Lane) and the FF&E Account (Sanderson) (each as further defined in the Facility Agreement);</p> <p>"Facility Agreement" means the facility agreement dated 15 July 2010 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 Fee Letter, (d) any Hedging Agreement or Hedging Letter; (e) the Intercreditor Agreement; (f) any Transaction Security Document, (g) any Utilisation Request; (each as defined by 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, Aareal Bank AG as the Arranger, the Security Agent, a Lender or a Hedge Counterparty;</p> <p>"General Account" is as defined by the Facility Agreement;</p> <p>"Hedge Counterparty" means a Lender, an Affiliate (as defined by the Facility Agreement) of a Lender or another person acceptable to the Agent which is or has become a party to the Intercreditor Agreement (as defined by the Facility Agreement) as a Hedge Counterparty in accordance with the Intercreditor Agreement,</p> <p>"Hedging Agreement" has the meaning given to that term in the Facility Agreement,</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 6 of schedule 1 to the Deed (Details of Security Assets));</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> <ul style="list-style-type: none"> (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 (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist); 	

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Particulars of a mortgage or charge

4	<p>Amount secured</p> <p>Please give us details of the amount secured by the mortgage or charge</p>
Amount secured	<p>"Lender" means</p> <p>(a) Aareal Bank AG as Original Lender under the Facility Agreement; and</p> <p>(b) any bank, financial institution, trust, fund or other entity which has become a Party as a Lender in accordance with clause 26 of the Facility Agreement (Changes to the Lenders), which in each case has not ceased to be a Lender in accordance with the terms of the Facility Agreement;</p> <p>"Management Agreement" has the meaning given to that term in the Facility Agreement;</p> <p>"Party" means a party to the Facility Agreement,</p> <p>"Permitted Security" means any Security:</p> <p>(a) created under the Transaction Security Documents;</p> <p>(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 (as defined by the Facility Agreement)</p> <p>(i) which is in any event discharged within 30 days, and</p> <p>(ii) which has not arisen as a result of any default or omission by the Company; or</p> <p>(c) created with the prior written consent of the Agent;</p> <p>"Quasi-Security" has the meaning given to that term in clause 22 13 of the Facility Agreement (Negative pledge),</p> <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 schedule 1 of the Deed (Details of Security Assets)),</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> <p>(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</p> <p>(b) all proceeds of any of the foregoing;</p> <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> <p>(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</p> <p>(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>

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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>"Relevant Contract" means:</p> <ul style="list-style-type: none"> (a) each Hedging Agreement, and (b) the Management Agreements described in paragraphs (a) and (b) of the definition thereof in the Facility Agreement; (c) each agreement specified in part 4 of schedule 1 of the Deed (Details of Security Assets), together with each other agreement supplementing or amending or novating or replacing the same; <p>"Rental Income" means all amounts arising from the letting, use or occupation of any Charged 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 ("Tenant" is as defined by the Facility Agreement), (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 (as defined by the Facility Agreement), (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 (as defined by the Facility Agreement) of any Charged Property and for expenses incurred in relation to any such breach, <ul style="list-style-type: none"> (i) any contribution to a sinking fund paid by a Tenant; (j) any contribution by a Tenant to ground rent due under any Headlease (as defined by the Facility Agreement), (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>"Secured Parties" means each Finance Party from time to time and any Receiver or Delegate,</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 Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed,</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

"Security Period" means the period beginning on the date of the Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents, and

"Transaction Security Documents" means:

- (a) a first and only fixed legal charge over the Property (as defined by the Facility Agreement);
- (b) a first and only debenture containing fixed and floating charges over all the assets and undertaking of the Company,
- (c) a first and only charge over each Account;
- (d) the Non-Disturbance Agreement (as defined by the Facility Agreement),
- (e) a security assignment of the benefit of the Hedging Agreements (as defined by the Facility Agreement),
- (f) a first and only third party Security over all the shares in the Company,
- (g) any other document designated as such by the Company and the Agent, 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.

SCHEDULE 1

Details of Security Assets

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

Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
None			

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Particulars of a mortgage or charge

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Amount secured

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

Amount secured

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
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	CONFIDENTIAL	National Westminster Bank plc	Marylebone High Street, 50-30-25
	CONFIDENTIAL	Chase Manhattan	New York

FF&E Accounts

Account holder	Account number	Type	Account Bank	Account bank branch address and sort code
Morgans Hotel Group London Limited	CONFIDENTIAL	FF&E Account (St Martin's Lane)	National Westminster Bank plc	Marylebone High Street, 50-30-25
Morgans Hotel Group London Limited	CONFIDENTIAL	FF&E Account (Sanderson)	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

Part 4 - Relevant Contracts

Date of relevant contract	Parties	Details of relevant contract
None		

Part 5 - Insurances

Insurer	Policy number
Ace European Group Ltd	UKCASC42005
Lloyds of London	PP1002104000
Lexington Insurance Co	017728092
Princeton Excess & Surplus Insurance Co	78A3XP0000221-01
Lloyds of London	PP1002105000
Lancashire	PP1002106000
Arch Specialty Insurance	PRP0039110-00
Homeland Ins Co of NY / Traders & General Insurance Co	YSP3050/YSP3051
Maiden Specialty Insurance Co	S2LPY0044500S
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>(b) by way of first fixed charge</p> <p>(i) all other Real Property and all interests in Real Property (not charged by clause 4.1(a) of the Deed),</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 4.1(a) or 4.1(b) of the Deed) 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 4.1(c) of the Deed), and</p> <p>(ii) the benefit of all contracts, licences and warranties relating to the same,</p> <p>other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress;</p> <p>(e) by way of first fixed charge</p> <p>(i) the Charged Securities referred to in part 2 of schedule 1 of the Deed (Details of Security Assets), and</p> <p>(ii) all other Charged Securities (not charged by clause 4.1(e)(i) of the Deed),</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 Collateral Accounts,</p> <p>(ii) the Collection Accounts and all monies at any time standing to the credit of the Collection Accounts;</p> <p>(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 4.1(f)(i) or 4.1(f)(ii) of the Deed) 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,</p> <p>(g) by way of first fixed charge the Intellectual Property;</p> <p>(h) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (Security assignments) of the Deed, by way of first fixed charge such Assigned Asset;</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

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

(1) 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

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

(111) 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 assigned and agreed 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 4.1(a) or 4.1(b) of the Deed),

(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

(1) all Insurances specified in part 5 of schedule 1 of the Deed (Details of Security Assets), and

(11) all other Insurances (not assigned by clause 4 2(c)(1) of the Deed), and all claims under the Insurances and all proceeds of the Insurances, and

(d) all other Receivables (not otherwise assigned under clause 4 2 of the Deed)

To the extent that any Assigned Asset described in clause 4 2(c) of the Deed 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

2 3 Assigned Assets

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

3 FLOATING CHARGE

The Chargor charged and agreed 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 4 1 (Fixed charges) of the Deed, clause 4.2 (Security assignments) of the Deed 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

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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="320 344 1034 378">Please give the short particulars of the property mortgaged or charged</p> <p data-bbox="320 439 831 461">4 CONVERSION OF FLOATING CHARGE</p> <p data-bbox="320 495 703 517">4 1 Conversion by notice</p> <p data-bbox="320 519 1497 600">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</p> <p data-bbox="320 629 1251 651">(a) an Event of Default has occurred and is continuing; or</p> <p data-bbox="320 683 1497 763">(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</p> <p data-bbox="320 792 624 815">4 2 Small companies</p> <p data-bbox="320 817 1465 929">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.</p> <p data-bbox="320 958 703 981">4 3 Automatic conversion</p> <p data-bbox="320 983 1417 1064">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:</p> <p data-bbox="320 1093 1417 1151">(a) in relation to any Security Asset which is subject to a floating charge if:</p> <p data-bbox="320 1153 1481 1229">(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</p> <p data-bbox="320 1232 1474 1290">(ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and</p> <p data-bbox="320 1319 1513 1422">(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 data-bbox="320 1451 671 1473">4.4 Partial conversion</p> <p data-bbox="320 1476 1513 1615">The giving of a notice by the Security Agent pursuant to clause 6 1 of the Deed (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 data-bbox="320 1644 671 1666">5 CONTINUING SECURITY</p> <p data-bbox="320 1700 687 1722">5 1 Continuing security</p> <p data-bbox="320 1724 1513 1836">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 data-bbox="320 1865 895 1888">5 2 Additional and separate security</p> <p data-bbox="320 1890 1449 1971">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>

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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>5.3 Right to enforce 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</p> <p>6 UNDERTAKINGS BY THE CHARGOR</p> <p>6.1 Negative pledge and disposals The Chargor agreed that it 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 under the Facility Agreement)</p> <p>7 SET-OFF</p> <p>7 1 Set-off rights</p> <p>(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.</p> <p>(b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 18.1(a) of the Deed), 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</p> <p>(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</p> <p>(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.</p> <p>8 FURTHER ASSURANCES</p> <p>8 1 Further action The Chargor agreed that it 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:</p> <p>(a) creating, perfecting or protecting the Security intended to be created by the Deed or any other Transaction Security Document,</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

(b) facilitating the realisation of any Security Asset,

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

(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 this Deed or any other Transaction Security Document

This includes

(i) the re-execution of this 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

8.2 Finance Documents

The Chargor agreed that it 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

8.3 Specific security

Without prejudice to the generality of clause 20.1 of the Deed (Further action), the Chargor agreed that it 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 6 of the Deed (Conversion of floating charge))

9 POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appointed 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 20 of the Deed (Further assurances). The Chargor agreed to ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under this clause



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. 9**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 15 JULY 2010
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
23 JULY 2010

GIVEN AT COMPANIES HOUSE, CARDIFF THE 28 JULY 2010

DD



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES