



Registration of a Charge

Company name: **Atlas Hotels (Birmingham NT 1) Limited**

Company number: **03479641**



X5A7KHMx

Received for Electronic Filing: **30/06/2016**

Details of Charge

Date of creation: **21/06/2016**

Charge code: **0347 9641 0006**

Persons entitled: **DEUTSCHE BANK AG, LONDON BRANCH**

Brief description: **THE LEASEHOLD INTERESTS IN HOLIDAY INN EXPRESS BIRMINGHAM NEC, BICKENHILL PARKWAY, BIRMINGHAM, WEST MIDLANDS, B40 1QA WITH TITLE NUMBERS WM707586 AND WM900691, AND, WHERE THE CONTEXT SO REQUIRES, INCLUDES THE BUILDINGS ON THE PROPERTY.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3479641

Charge code: 0347 9641 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st June 2016 and created by Atlas Hotels (Birmingham NT 1) Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th June 2016 .

Given at Companies House, Cardiff on 1st July 2016

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

DATED 21 JUNE 2016

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

DEUTSCHE BANK AG, LONDON BRANCH
AS THE COMMON SECURITY AGENT

COMMON SECURITY AGREEMENT

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THIS SECURITY AGREEMENT is made by way of deed on 21 June 2016 by:

- (1) **THE PERSONS** listed in Schedule 1 (*Chargors*) (each a "**Chargor**") in favour of:
- (2) **DEUTSCHE BANK AG, LONDON BRANCH** as security trustee for each of the Secured Parties (the "**Common Security Agent**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Security Agreement:

"Administration Event" means:

- (a) the presentation of an application or petition to the court for the making of an administration order in relation to a Chargor; or
- (b) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to a Chargor or files such a notice with the court.

"Assigned Loans" means each and every sum paid or payable from time to time by a member of the Group to a Chargor pursuant to any Inter-company Loan Agreement and any other sum from time to time paid or payable by any member of the Group for the time being to any Chargor.

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

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

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

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

"Fixed Scottish Security" means any fixed security, standard security, pledge or assignation governed by Scots law granted by a Chargor in favour of the Common Security Agent as security for the Secured Liabilities.

"Hedge Counterparty" has the meaning given to that term in the Senior Facility Agreement.

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

"Insurance" means any contract or policy of insurance in which a Chargor may at any time have an interest, entered into in accordance with clause 23.10 (*Insurances*) of the Senior Facility Agreement and clause 23.10 (*Insurances*) of the Mezzanine Facility Agreement.

"Inter-company Loan Agreement" means any intra-group loan agreement or arrangement which is governed by the laws of England and Wales and entered into by any member of the Group as debtor and any Chargor as lender.

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

"Intra-group Leases" means any Headlease where the reversion is vested in a Chargor and/or any Lease Document where both the landlord's interest and tenant's interest are vested in a Chargor.

"Investment" means all Shares, securities, certificates of deposit and other investments, all interests in collective investment schemes and partnerships and all warrants, options and rights to subscribe for any investment whether held directly by or to the order of any Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system) excluding all Shares, securities, certificates of deposit and other investments, all interests in collective investment schemes and partnerships and all warrants, options and rights to subscribe for any investment validly secured by a Fixed Scottish Security.

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

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

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

"Mezzanine Facility Agreement" means the facility agreement dated on or about the date hereof between, amongst others, Titan Financing Limited as Borrower, Bank of America Merrill Lynch International Limited and Deutsche Bank AG, London Branch as Mezzanine Arrangers and Original Lenders and CBRE Loan Services Limited as Mezzanine Agent and Deutsche Bank AG, London Branch as Mezzanine Security Agent (each as defined therein) as amended, varied, novated or supplemented from time to time.

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

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

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

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

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

"Mortgaged Property" means the freehold and leasehold property specified in Schedule 2 (*Mortgaged Property*).

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

"Party" means a party to this Security Agreement.

"Real Property" means (including as provided in Clause 1.7 (*Real Property*)), the Mortgaged Property and any present or future freehold or leasehold or immoveable property and any other interest in land or buildings and all rights relating thereto in which any Chargor has an interest.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Security Assets and that term will include any appointee made under a joint or several appointment.

"Related Rights" means, to the extent applicable, in relation to any asset:

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset.

"Relevant Share" means any Share listed in Schedule 3 (*Relevant Shares*) and all Shares held by any Chargor from time to time in any Chargor incorporated in England and Wales and all of any Chargor's other present and future Shares in any member of the Group (under and as defined in the Senior Facility Agreement) incorporated in England and Wales for the time being.

"Scottish Assets" means all the assets and undertaking of each Chargor which are located in Scotland or otherwise governed by Scots law.

"Scottish Floating Charge" means any floating charge governed by Scots law granted by a Chargor in favour of the Common Security Agent as security for the Secured Liabilities.

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

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

"Security Assets" means each of the assets and undertaking of each Chargor which from time to time are, or are expressed to be, the subject of any Security created or expressed to be created by it in favour of the Common Security Agent by or pursuant to this Security Agreement or any other Security granted by the Chargor in favour of the Common Security Agent.

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

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

"Senior Facility Agreement" means the facility agreement dated on or about the date hereof between, amongst others, Titan Acquisition Holdco Limited as the Senior Holdco, Titan Acquisition Limited as the Original Borrower, the Original Guarantors, the Arrangers, CBRE Loan Services Limited as the Agent, Deutsche Bank AG, London Branch as the Common Security Agent, the Original Lenders and the Hedge Counterparty (each as defined in that agreement as amended, varied, novated or supplemented from time to time).

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

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

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

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

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

"Share" means any stock, share, debenture or other security.

"Supplemental Mortgage" means a charge by way of legal mortgage granted by a Chargor in favour of, and in a form approved of by, the Common Security Agent.

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

1.2 Terms defined in other Finance Documents

Unless defined in this Security Agreement, or the context otherwise requires, a term defined in the Intercreditor Agreement, the Senior Facility Agreement or in any other Finance Document has the same meaning in this Security Agreement or any notice

given under or in connection with this Security Agreement, as if all references in those defined terms to the Intercreditor Agreement, the Senior Facility Agreement or other Finance Document were a reference to this Security Agreement or that notice.

1.3 Intercreditor Agreement

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

1.4 Effect as a Deed

It is intended by the Parties that this Security Agreement will take effect as a deed notwithstanding the fact that the Common Security Agent may execute this Security Agreement under hand.

1.5 Construction

Clauses 1.2 (*Construction*), 1.3 (*Currency symbols and definitions*), 1.4 (*Bermuda terms*), 1.5 (*BVI terms*), 1.6 (*Jersey terms*) and 1.7 (*Scottish terms*) of the Senior Facility Agreement will apply as if incorporated in this Security Agreement or in any notice given under or in connection with this Security Agreement, as if all references in that Clause to the Senior Facility Agreement were a reference to this Security Agreement or that notice.

1.6 Application of provisions in Facility Agreement and Intercreditor Agreement

Clauses 1.9 (*Third party rights*), 8.4 (*Default interest*), 10.5 (*Break Costs*), 12 (*Tax Gross-Up and Indemnities*), 13 (*Increased Costs*), 14 (*Other indemnities*), 16 (*Costs and Expenses*), 25.1 (*Assignments and transfers by the Lenders*), 26.1 (*Assignments and transfers by Obligors*), 30 (*Payment Mechanics*), 32 (*Notices*), 33.1 (*Accounts*), 33.2 (*Certificates and determinations*) and 36 (*Amendments and waivers*) of the Senior Facility Agreement and clauses 24 (*The Common Security Agent*) and 25 (*Change of Common Security Agent and Delegation*) of the Intercreditor Agreement, are deemed to form part of this Security Agreement as if expressly incorporated into it and as if all references in those clauses to the Senior Facility Agreement were references to this Security Agreement.

1.7 Real Property

A reference in this Security Agreement to a mortgage, assignment or charge of any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.

1.8 Present and future assets

- (a) A reference in this Security Agreement to any Mortgaged Property, Security Asset or other asset includes, unless the contrary intention appears, present and future Mortgaged Property, Security Assets and other assets.

- (b) The absence of or incomplete details of any Security Assets in any Schedule shall not affect the validity or enforceability of any Security under this Security Agreement.

1.9 Disposition of Property

The terms of the Intercreditor Agreement and each other Finance Document and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Security Agreement and each other Finance Document to the extent required for any purported disposition of any Real Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.10 Fixed Security

- (a) Clauses 4.1 (*Mortgage*) to 4.3 (*Fixed charges*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Security Agreement and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Security Agreement or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.
- (b) Clauses 4.1(*Mortgage*) to 4.3 (*Fixed charges*) (inclusive) do not extend to assets which are validly secured in terms of a Fixed Scottish Security and shall not create mortgages, fixed charges or assignments by way of security over any asset validly secured pursuant to such Fixed Scottish Security.

1.11 No obligation

The Common Security Agent shall not be under any obligation in relation to the Security Assets as a consequence of this Security Agreement and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Security Assets.

1.12 Approvals, consents and rights of the Common Security Agent

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

2. COVENANT TO PAY

Each Chargor covenants with the Common Security Agent (as trustee for the Secured Parties) that it shall, on demand of the Common Security Agent pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured

Liabilities in accordance with their respective terms (which indemnified sums shall be treated as Secured Liabilities for the purposes of this Security Agreement).

3. COMMON PROVISIONS

3.1 Common provisions as to all Security

All the Security constituted by or pursuant to this Security Agreement is:

- (a) created with full title guarantee and, in relation to Scottish Assets, absolute warrandice;
- (b) created in favour of the Common Security Agent as trustee for the Secured Parties and the Common Security Agent shall hold the benefit of this Security Agreement and the Security created by or pursuant to it on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Secured Liabilities.

4. FIXED SECURITY

4.1 Mortgage

Each Chargor charges, by way of first legal mortgage, its Mortgaged Property.

4.2 Assignment by way of Security

Each Chargor assigns and agrees to assign absolutely (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 4.1 (*Mortgage*)) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same, all of its rights, title and interest from time to time in and to each of the following assets:

- (a) any agreements, contracts, deeds, leases, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefiting that Chargor in respect of the Real Property and all other Related Rights;
- (b) any sums paid or payable to or for the benefit of that Chargor arising from the letting, use or occupation of all or any part of any Real Property and all sums paid or payable and any other consideration given or to be given for the disposal of an interest in all or part of any Real Property or of any shares in any person which owns or whose subsidiary owns all or any part of any Real Property and the right to make demand for and receive the same;
- (c) any policy of insurance in which that Chargor may at any time have an interest and all proceeds paid or payable thereunder and all other Related Rights;
- (d) any trade or building contracts or related documents to which a contractor is party, consultant appointments, specifications, required consents, each bond and guarantee entered into in favour of that Chargor to secure payments and or

performance under the development documents; each occupational lease, agreement for lease and any other development document howsoever described and all Related Rights under each such development document;

- (e) any collateral warranty given by any contractor or consultant (in each case howsoever described) and any equivalent rights and warranties conferred or to be conferred by any contractor or consultant pursuant to the Contract (Rights of Third Parties) Act 1999, in each case in respect of each development document to which it is a party, in favour of the Common Security Agent and all proceeds paid or payable thereunder and all other Related Rights;
- (f) any contract or agreement to which that Chargor is a party and all Related Rights;
- (g) any account maintained by that Chargor and designated as a debt service account, FF&E reserve account, general account, holding account, mandatory prepayment account, cash trap account or operating account (and in each case, its interest in any replacement account or sub-account or sub-division of that account) and the debt or debts represented thereby and all other Related Rights;
- (h) any master agreement, confirmation, transaction, schedule or other agreement entered into or to be entered into by that Chargor and the Hedge Counterparty for the purpose of hedging interest or otherwise evidencing or relating to any swap, cap, floor, collar or option transaction or any other treasury transaction or any combination of the same or any other transaction entered into in connection with protection against or benefit from fluctuation or movement in interest or currency rates or in any other rate, index or return howsoever described and all proceeds paid or payable thereunder and all other Related Rights; and
- (i) the Assigned Loans, together with all Related Rights.

4.3 **Fixed charges**

Each Chargor charges (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 4.1 (*Mortgage*) or assigned pursuant to Clause 4.2 (*Assignment by way of Security*)) by way of first fixed charge, all of its rights, title and interest from time to time in and to each of the following assets:

- (a) the Real Property and all Related Rights;
- (b) each account maintained by that Chargor and designated as a debt service account, FF&E reserve account, general account, holding account, mandatory prepayment account, cash trap account, hedging collateral account or operating account (and in each case, its interest in any replacement account or sub-account or sub-division of that account) and the debt or debts represented thereby and all other Related Rights;
- (c) each of its accounts with any bank, building society, financial institution or other person (including any replacement account or sub-division or sub-

account of that account) and the debt or debts represented thereby and all other Related Rights;

- (d) any master agreement, confirmation, transaction, schedule or other agreement entered into or to be entered into by any Chargor and the Hedge Counterparty for the purpose of hedging interest or otherwise evidencing or relating to any swap, cap, floor, collar or option transaction or any other treasury transaction or any combination of the same or any other transaction entered into in connection with protection against or benefit from fluctuation or movement in interest or currency rates or any other rate, index or return howsoever described and all proceeds paid or payable thereunder and all Related Rights;
- (e) book and other debts and monetary claims owing to it and any proceeds of those debts and claims (including any claims or sums of money deriving from or in relation to any court order or judgment, the proceeds of any insurance policy, any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of that Chargor) and all Related Rights;
- (f) patents, trade marks, service marks, designs, business and trade 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 exist) to which it is entitled, whether registered or unregistered, the benefit of all applications and its rights to use such assets (which may now or in the future exist) and all Related Rights;
- (g) plant, machinery, office equipment, computers, vehicles, furniture, fittings and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress) and all Related Rights;
- (h) goodwill and rights and claims in relation to its uncalled share capital;
- (i) rights to recover any VAT on any supplies made to it relating to the Security Assets and any sums so recovered;
- (j) the Relevant Shares and all dividends, interest and other moneys payable in respect of the Relevant Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise);
- (k) Investments and all Related Rights (including all rights against any trustee, nominee, fiduciary or clearance system in respect of those Investments) to the extent not charged pursuant to (j) above; and
- (l) each of the assets which are specified in Clause 4.2 (*Assignment by way of Security*).

5. FLOATING CHARGE

5.1 Floating charge

- (a) Each Chargor charges, by way of first floating charge, all present and future assets and undertaking of that Chargor.
- (b) The floating charge created by paragraph (a) above shall be deferred in point of priority to (i) all fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Common Security Agent (as security trustee for the Secured Parties) as security for the Secured Liabilities and (ii) any Scottish Floating Charge.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by paragraph (a) above.

5.2 Conversion of floating charge to fixed Security

- (a) The Common Security Agent may (to the extent permissible under applicable law) at any time, while this Security Agreement is enforceable in accordance with Clause 10 (*Enforcement of security*), by notice to any Chargor convert the floating charge constituted under Clause 5.1 (*Floating charge*) with immediate effect into a fixed charge as regards any asset which is the subject of the floating charge or which is specified in the notice.
- (b) In addition, without prejudice to any law which may have a similar effect, the floating charge constituted under Clause 5.1 (*Floating charge*) will (to the extent permissible under applicable law) automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge if:
 - (i) any Chargor creates or attempts to create any Security (other than any Security permitted under the terms of each Facility Agreement), over any of the Security Assets;
 - (ii) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
 - (iii) an Administration Event occurs;
 - (iv) a Receiver is appointed over all or any of the Security Assets;
 - (v) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of a Chargor or an administrator is appointed to a Chargor;
 - (vi) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor;
 - (vii) a petition is presented for the compulsory winding-up of any Chargor;
 - (viii) a provisional liquidator is appointed to any Chargor; or

- (ix) a resolution is passed or an order is made for the dissolution or reorganisation of any Chargor,

or any analogous procedure or step is taken in any jurisdiction.

- (c) For the avoidance of doubt, but without prejudice to Clause 7 (*Further Assurance*), the provisions of this Clause 5.2 (*Conversion of floating charge to fixed security*) shall not apply to any of a Chargor's assets insofar as they are situated in or otherwise subject to the law of Scotland to the extent that the conversion by notice or automatic conversion provided for therein would not be recognised under the laws of Scotland.

6. PROVISIONS AS TO SECURITY AND PERFECTION

6.1 Negative pledge and restriction on dealings

Except where agreed in writing by the Common Security Agent or as permitted under the Finance Documents, no Chargor will at any time during the Security Period create or permit to subsist any Security over all or any part of the Security Assets or dispose of or otherwise deal with any part of the Security Assets.

6.2 Implied covenants for title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 4 (*Fixed Security*) or 5 (*Floating charge*).
- (b) It shall be implied in respect of Clauses 4 (*Fixed Security*) and 5 (*Floating charge*) that each Chargor is disposing of the Security Assets free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

6.3 Notices of Security: Lease Documents and Insurances

- (a) Immediately:
 - (i) upon the date of this Security Agreement, in relation to:
 - (A) all Lease Documents and any other lease documents, to which any Chargor is a party and to which any other Obligor is a tenant, relating to the Real Property in existence on the date of this Security Agreement;
 - (B) all Headleases and any superior leases relating to the Real Property in existence on the date of this Security Agreement; and
 - (C) all Insurances in existence on the date of this Security Agreement; or

- (ii) if later, upon any Chargor entering into any of (i), (ii) or (iii) above with any person or insurer (as applicable); and

each Chargor shall give:

- (A) notice to all landlords, tenants and other persons which are parties to such Lease Documents, Headleases, superior leases and other lease documents, and to all insurers party to any Insurances, of the Security constituted by this Security Agreement in respect of any such Lease Documents, Headleases, superior leases and other lease documents or Insurances, such notices being substantially in the form set out in Schedule 4 (*Leases and Insurances*), provided this Security Agreement constitutes notice of the Security constituted by this Security Agreement to each Chargor who is also a landlord or a tenant under any Intra-group Lease and each such Chargor, by signing this Security Agreement, acknowledges the Security over the relevant Intra-group Lease; and
 - (B) use all reasonable endeavours to procure from each relevant person an acknowledgement in the form set out in such notice of security.
- (b) Immediately upon the date of this Security Agreement or upon any Chargor entering into a third party Lease Document or any other third party lease document, each Chargor shall deliver to the Common Security Agent a duly executed notice addressed to each relevant person which is party to any Lease Document, of the Security constituted by this Security Agreement, such notice being in the form set out in Schedule 4 (*Leases and Insurances*).
 - (c) On or at any time while this Security Agreement is enforceable in accordance with Clause 10 (*Enforcement of Security*):
 - (i) the Common Security Agent may serve the notices referred to in paragraph (b) above; and
 - (ii) at the request of the Common Security Agent, each Chargor shall use reasonable endeavours to procure from each relevant person an acknowledgement in the form set out in such notice of Security.

6.4 Notice of Security: Accounts

Immediately upon the date of this Security Agreement in relation to each account maintained by it which is the subject of the Security created by this Security Agreement, or if later, upon the opening by it of any other such account, each Chargor shall:

- (a) deliver to the Common Security Agent a duly executed notice addressed to each relevant bank, building society or other person of the Security constituted by this Security Agreement, such notice being substantially in the form set out

in Schedule 5 (*Accounts*) or as otherwise agreed between the relevant Chargor and the Common Security Agent (each acting reasonably); and

- (b) procure from each relevant person an acknowledgement in the form set out in such notice of security.

6.5 Notice of Security: Assigned Loans

- (a) Subject to paragraph (b) below, immediately upon the date of this Security Agreement in relation to all Assigned Loans in existence on the date of this Security Agreement, or, if later, upon the entry into of any such Assigned Loan, each Chargor shall:
 - (i) deliver to the Common Security Agent a duly executed notice addressed to each other debtor in respect of such Assigned Loans of the Security constituted by this Security Agreement, such notice being substantially in the form set out in Schedule 6 (*Assigned Loans*); and
 - (ii) procure from the relevant debtor an acknowledgement in the form set out such notice of security.
- (b) Provided that this Security Agreement constitutes notice of the Security constituted by this Security Agreement to each Chargor who is also a debtor under any Assigned Loan and each such Chargor, by signing this Security Agreement, acknowledges the Security over the relevant Assigned Loan and the requirements of paragraph (a) in respect of such Assigned Loans shall be deemed satisfied.

6.6 Notice of Security: Hedging Agreements

Immediately upon the date of this Security Agreement, in relation to all Hedging Agreements in existence on the date of this Security Agreement, or if later, immediately upon the entry into of any such Hedging Agreement, each Chargor shall:

- (a) deliver to the Common Security Agent a duly executed notice addressed to each Hedge Counterparty of the Security constituted by this Security Agreement, such notice being substantially in the form set out in Schedule 7 (*Hedging Agreements*); and
- (b) use its best endeavours to procure from the relevant Hedge Counterparty an acknowledgement in the form set out in such notice of security.

6.7 Notice of Security: contracts

Immediately upon the date of this Security Agreement, in relation to all of the Hotel Operating Documents (other than the Hotel Franchising Agreements) and collateral warranties, or if later, upon its entry into of any such Hotel Operating Document and collateral warranties, each Chargor shall:

- (a) deliver to the Common Security Agent a duly executed notice addressed to the relevant contract counterparty of the Security constituted by this Security

Agreement, such notice being substantially in the form set out in Schedule 8 (*Contracts*); and

- (b) use all reasonable endeavours to procure from the relevant contract counterparty an acknowledgement in the form set out in such notice of security.

6.8 Notices of Security: other assets

Except to the extent already provided for in this Clause 6, following the occurrence of an Event of Default each Chargor shall join the Common Security Agent in giving notices of security (in such applicable form as set out at Schedules 4 to 8 of this Security Agreement) in respect of any asset which is the subject of an assignment or charge pursuant to Clause 4 (*Fixed Security*) promptly upon the request of the Common Security Agent from time to time and will use all reasonable endeavours to procure from each recipient of those notices, an acknowledgement in a form satisfactory to the Common Security Agent.

6.9 Delivery of share certificates

Each Chargor shall:

- (a) immediately upon the execution of this Security Agreement, deposit with the Common Security Agent (or procure the deposit of) all certificates or other documents of title to the Relevant Shares (or share indemnities, if applicable) and stock transfer forms (executed in blank by it or on its behalf); and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Relevant Shares (or upon acquiring any interest therein), notify the Common Security Agent of that occurrence and procure the delivery to the Common Security Agent of (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Common Security Agent may request.

6.10 Deposit of title deeds

Each Chargor shall:

- (a) immediately upon the execution of this Security Agreement (and upon the acquisition by it of any interest in any Security Asset at any time) deposit (or procure the deposit) with the Common Security Agent all deeds, certificates and other documents constituting or evidencing title to the Security Assets or procure that an undertaking in form and substance satisfactory to the Common Security Trustee is given by the Chargor's solicitors to hold such deeds certificates and other documents to the order of the Common Security Trustee; and
- (b) deposit with the Common Security Agent at any time thereafter any further such deeds, certificates, instruments of transfer and other documents, promptly upon coming into possession of any of those items or procure that an

undertaking in form and substance satisfactory to the Common Security Trustee is given by the Chargor's solicitors to hold such deeds, certificates and other documents to the order of the Common Security Trustee.

6.11 Application to the Land Registry

Each Chargor hereby consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property.

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [] referred to in the charges register or their conveyancer."

6.12 Further advances

- (a) Subject to the terms of each Facility Agreement, each Lender is under an obligation to make further advances to each Chargor and that obligation will be deemed to be incorporated in this Security Agreement as if set out in this Security Agreement.
- (b) Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Security Assets.

6.13 Loans

- (a) No Chargor shall take, or omit to take, any action which might result in (a) the alteration or impairment of any rights in the Inter-Company Loans, in each case, save as permitted under each Facility Agreement and the Intercreditor Agreement (b) any default of any of its obligations under any agreement documenting an Inter-Company Loan or in respect of any Inter-Company Loan, (c) any right to terminate any agreement documenting an Inter-Company Loan or any Inter-Company Loan becoming exercisable by any other party to that agreement, or (d) any counterclaims or rights of set-off arising under any agreement documenting an Inter-Company Loan or any Inter-Company Loan.
- (b) The Common Security Agent shall not be under any obligation in relation to any agreement documenting an Inter-Company Loan or any Inter-Company Loan as a consequence of this Security Agreement and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Inter-Company Loans and each agreement documenting an Inter-Company Loan.

6.14 **No redomiciling**

No Chargor incorporated in the British Virgin Islands will continue its existence in a jurisdiction outside of the British Virgin Islands or otherwise change or attempt or resolve to change its jurisdiction of incorporation and registration.

6.15 **No conversion, amalgamation, merger or discountinuanee**

No Chargor incorporated in Bermuda shall:

- (a) amalgamate or merge under Part VII,
- (b) discountinue under Part XA; or
- (c) convert under Part XB,

of the Bermuda Act without the prior written consent of the Common Security Agent.

7. **FURTHER ASSURANCE**

7.1 **Further assurance**

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) below.
- (b) Each Chargor shall promptly, at its own cost, take all such action (including filings, registrations and notarisations and applying for relief against forfeiture) and execute all such documents (including assignments, assignations, transfers, standard securities, mortgages, charges, notarisations, registrations, notices and instructions) as the Common Security Agent may reasonably specify (and in such form as the Common Security Agent may reasonably require) in favour of the Common Security Agent or its nominee(s) to:
 - (i) create, perfect, confer priority, protect and/or maintain the Security created or intended to be created in respect of the Security Assets in accordance with the rights vested in it under this Security Agreement (which may include the execution by that Chargor of a mortgage, standard security, security interest, charge or assignment over all or any of the assets constituting, or intended to constitute, Security Assets) or for the exercise of any of the rights, powers and remedies of the Common Security Agent provided by or pursuant to this Security Agreement or by law;
 - (ii) enter into a Supplemental Mortgage in favour of the Common Security Agent over any Real Property in England and Wales not already the subject of a registrable legal mortgage created pursuant to Clause 4.1 (*Mortgage*);
 - (iii) confer on the Common Security Agent Security over any asset or undertaking of that Chargor located in any jurisdiction outside England

and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Security Agreement; and/or

- (iv) while an Event of Default is continuing, facilitate the realisation of the Security Assets.

7.2 Necessary action

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

8. SHARES AND INVESTMENTS

8.1 Dividends prior to an Event of Default

Prior to the occurrence of an Event of Default, each Chargor shall be entitled to receive all dividends, interest and other moneys arising from the Relevant Shares.

8.2 Dividends after an Event of Default

Upon the occurrence of an Event of Default, the Common Security Agent may, at its discretion, (in the name of the relevant Chargor or otherwise and without any further consent or authority from any Chargor) apply all dividends, interest and other moneys arising from the Relevant Shares as though they were the proceeds of sale in accordance with Clause 14 (*Application of Moneys*).

8.3 Voting rights prior to notice

Prior to the giving of notice pursuant to Clause 8.4 (*Voting rights after notice*), each Chargor shall be entitled to exercise all voting rights in relation to the Relevant Shares.

8.4 Voting rights after notice

Subject to Clause 8.5 (*Waiver of voting rights*), upon the occurrence of an Event of Default, the Common Security Agent may (but without having any obligation to do so) give notice to the relevant Chargor (with a copy to the Agent) that this Clause 8.4 will apply. With effect from the giving of that notice the Common Security Agent may, at its discretion, in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor:

- (a) exercise (or refrain from exercising) any voting rights in respect of the Relevant Shares;
- (b) transfer the Relevant Shares into the name of the Common Security Agent or such nominee(s) of the Common Security Agent as it shall require; and
- (c) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Relevant Shares including

the right, in relation to any company whose shares or other securities are included in the Relevant Shares, to concur or participate in:

- (i) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
- (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
- (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Common Security Agent thinks fit, and the proceeds of any such action shall form part of the Relevant Shares.

8.5 Waiver of voting rights

- (a) The Common Security Agent may, at any time in its absolute discretion and without any consent or authority from any Chargor, by notice to any relevant Chargor (which notice shall be irrevocable), with a copy to the Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Relevant Shares specified in that notice conferred or to be conferred on the Common Security Agent pursuant to Clause 8.4 (*Voting rights after notice*) or any other provision of this Security Agreement and the other Chargors unconditionally waive any rights they may otherwise have to require the Common Security Agent not to make such election or to require the Common Security Agent to indemnify, compensate or otherwise make good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Common Security Agent making such election.
- (b) Once a notice has been issued by the Common Security Agent under paragraph (a) above, on and from the date of such notice the Common Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Relevant Shares conferred or to be conferred on it pursuant to Clause 8.4 (*Voting rights after notice*) or any other provision of this Security Agreement and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Relevant Shares.

8.6 Shares: Voting rights

No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Relevant Shares or other Investments in any manner, or otherwise permit or agree to or concur or participate in any:

- (i) variation of the rights attaching to or conferred by all or any part of the Relevant Shares;
- (ii) increase in the issued share capital of any company whose shares are charged pursuant to this Security Agreement;
- (iii) exercise, renunciation or assignment of any right to subscribe for any shares or securities; or
- (iv) reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof), in relation to any company whose shares or other securities are included in the Relevant Shares,

which in the opinion of the Common Security Agent (acting reasonably) would prejudice the value of, or the ability of the Common Security Agent to realise, the security created by this Security Agreement provided that the proceeds of any such action shall form part of the Relevant Shares.

8.7 Investments and Shares: Payment of calls

The relevant Chargor shall pay when due all calls or other payments which may be or may become due in respect of any of the Relevant Shares or other Investments, and in any case of default by it in such payment, the Common Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Common Security Agent shall be reimbursed by each Chargor to the Common Security Agent on demand and shall carry interest from the date of payment by the Common Security Agent until reimbursed at the rate from time to time applicable to unpaid sums specified in the Facility Agreement.

8.8 Investments: Exercise of rights

No Chargor shall exercise any of its rights and powers in relation to any of the Investments in any manner which would prejudice the value of, or the ability of the Common Security Agent to realise, the Security created pursuant to this Security Agreement.

9. ACCOUNTS

The Common Security Agent may, at any time on behalf of any Secured Party while this Security Agreement is enforceable in accordance with Clause 10 (*Enforcement of security*), without prior notice:

- (a) set-off, transfer or apply any Account and any other account which is the subject of the security created by this Security Agreement and any debt represented thereby in or towards satisfaction of all or any part of the Secured Liabilities; and
- (b) demand and receive all and any moneys due under or arising out of each Account which has been assigned by this Security Agreement and exercise all

rights that any Chargor was then entitled to exercise in relation to that Account or might, but for the terms of this Security Agreement, exercise.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement

On and at any time after the occurrence of:

- (a) an Event of Default (as long as it is continuing); or
- (b) a request from any Chargor to the Common Security Agent that it exercise any of its powers under this Security Agreement,

(each, an "**Enforcement Event**"),

the Security created by or pursuant to this Security Agreement is, immediately enforceable and the Common Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (i) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (ii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Security Agreement) on mortgagees and by this Security Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

10.2 Effect of Moratorium

The Common Security Agent shall not be entitled to exercise its rights under Clause 10.1 (*Enforcement*) or Clause 5.2 (*Conversion of floating charge to fixed Security*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

11. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

11.1 Extension of powers

The power of sale or other disposal conferred on the Common Security Agent and on any Receiver by this Security Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Security Agreement.

11.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Security Agreement or to the exercise by the Common Security Agent of its right to consolidate all or any of the security created by or pursuant to this Security Agreement with any other security in existence at any time or to its power of sale pursuant to Clause 11.1 (*Extension of powers*) above, which powers arise on execution of this Security Agreement and which powers may be exercised by the Common Security Agent without notice to any Chargor on or at any time after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*).

11.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Common Security Agent at any time on or after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*) and the Common Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with Sections 99 and 100 of the Law of Property Act 1925.
- (b) For the purposes of Sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither Sub-section (18) of Section 99 nor Sub-section (12) of Section 100 of the Law of Property Act 1925 will apply.
- (c) No Chargor shall have, at any time during the Security Period, the power pursuant to Section 99 of the Law of Property Act 1925 to make any lease in respect of any Real Property without the prior written consent of the Common Security Agent or as permitted pursuant to the terms of each Facility Agreement.

11.4 Right of appropriation

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**") apply to a Security Asset, the Common Security Agent shall have the right to appropriate all or any part of that Security Asset in or towards the payment or discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the Chargors. For this purpose, a commercially reasonable method of valuing a Security Asset shall be:

- (a) in the case of cash, the amount standing to the credit of each Account or to the credit of any other account with any bank, building society, financial institution or otherwise, together with any accrued but unposted interest, at the time of appropriation; and
- (b) in the case of any Investments or Shares, their market value determined by the Common Security Agent by reference to a public index, independent valuation or by such other process as the Common Security Agent may select.

In each case, the parties agree that the method of valuation provided for this Security Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

12. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

12.1 Appointment and removal

After the Security created by or pursuant to this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of security*), the Common Security Agent may by deed or otherwise (acting through an authorised officer of the Common Security Agent):

- (a) without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Security Assets; or
 - (ii) appoint two or more Receivers of separate parts of the Security Assets; or
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed; or
 - (iv) appoint another person(s) as an additional or replacement Receiver(s); or
 - (v) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; and
- (b) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

12.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 12.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Common Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Common Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

12.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Common Security Agent under the Law of Property Act 1925 (as extended by this Security Agreement) or otherwise and such powers shall remain exercisable from time to time by the Common Security Agent in respect of any part of the Security Assets.

13. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up, liquidation or dissolution of any Chargor) have and be entitled to exercise, in relation to the Security Assets (and any assets which, when got in, would be Security Assets in respect of which he was appointed), and as varied and extended by the provisions of this Security Agreement (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any rights, powers and remedies of the Common Security Agent provided by or pursuant to this Security Agreement or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Security Assets.

14. APPLICATION OF MONEYS

All moneys received or recovered and any non-cash recoveries made or received by the Common Security Agent or any Receiver pursuant to this Security Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other

discharge of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Common Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of clause 23 (*Application of Proceeds*) of the Intercreditor Agreement.

15. PROTECTION OF PURCHASERS

15.1 Consideration

The receipt of the Common Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Common Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

15.2 Protection of purchasers

No purchaser or other person dealing with the Common Security Agent, any Receiver or any of the Common Security Agent's or Receiver's delegates shall be bound to inquire whether the right of the Common Security Agent, such Receiver or such delegates to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Common Security Agent, such Receiver or such delegates in such dealings. No purchaser or other person dealing with any such delegate shall be concerned as to whether the delegation by the Common Security Agent or the Receiver (as applicable) pursuant to the terms of this Security Agreement shall have lapsed for any reason or been revoked.

16. POWER OF ATTORNEY

16.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Common Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect a Supplemental Mortgage over any Real Property not already the subject of a registrable legal mortgage pursuant to Clause 4.1 (*Mortgage*), and to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (i) carrying out any obligation imposed on any Chargor by or pursuant to this Security Agreement or any other agreement binding on such Chargor to which the Common Security Agent is party (including the execution and delivery of any deeds, charges, assignments, standard securities, assignments or other security and any transfers of the Security Assets and perfecting, establishing priority and/or releasing the security created or intended to be created in respect of the Security Assets); and
- (ii) enabling the Common Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Security Agreement or by law

(including, after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of security*), the exercise of any right of a heritable proprietor or legal or beneficial owner of the Security Assets).

The power of attorney granted in paragraph (i) above shall only be exercisable:

- (A) following the occurrence of an Event of Default which is continuing; or
- (B) following a failure by the Chargor to comply with its obligations under this Security Agreement.

16.2 Ratification

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

17. EFFECTIVENESS OF SECURITY

17.1 Continuing security

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

17.2 Cumulative rights

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

17.3 No prejudice

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

Common Security Agent holds the security or by any other thing which might otherwise prejudice that Security.

17.4 Remedies and Waivers

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

17.5 No liability

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

- (a) to account as a heritable creditor or mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Security Agreement or any neglect, default or omission in connection with the Security Assets or taking possession of or realising all or any part of the Security Assets,

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

17.6 Partial invalidity

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

17.7 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Security Agreement and the rights and remedies provided by this Security Agreement will not be affected by any act, omission, matter or thing which, but for this Clause 17.7, would reduce, release or prejudice any of its obligations under, or the Security created by, this Security Agreement and whether or not known to that Chargor or any Secured Party including:

- (a) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;

- (b) the release of any other Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor of any Transaction Obligor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Transaction Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other documents);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; and
- (g) any insolvency or similar proceedings in any relevant jurisdiction.

17.8 Chargor intent

Without prejudice to the generality of Clause 17.7 (*Waiver of Defences*), each Chargor expressly confirms that it intends that the Security created under this Security Agreement and the rights and remedies arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

17.9 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from any Chargor

under this Security Agreement. This waiver applies irrespective of any law or any provision of this Security Agreement to the contrary.

17.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Security Agreement:

- (a) to be indemnified by a Transaction Obligor;
- (b) to claim any contribution from any guarantor of any Transaction Obligor's obligations under this Security Agreement;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Secured Parties under this Security Agreement or of any other guarantee or Security taken pursuant to, or in connection with, this Security Agreement by any Secured Party
- (d) to bring legal or other proceedings for an order requiring any Transaction Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Transaction Obligor; or
- (f) to claim or prove as a creditor of any Transaction Obligor in competition with any Secured Party.

If each Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Common Security Agent to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Transaction Obligors under or in connection with this Security Agreement to be repaid in full and shall promptly pay or transfer the same to the Common Security Agent or as the Common Security Agent may direct for application in accordance with Clause 14 (*Application of Moneys*).

18. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Common Security Agent or any Receiver of any power of sale under this Security Agreement, the Common Security Agent may redeem such prior Security or procure the transfer thereof to itself.
- (b) The Common Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.
- (c) All principal moneys, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Common

Security Agent (or as the Common Security Agent may direct in accordance with the Intercreditor Agreement) on demand together with accrued interest thereon as well as before judgment at the rate from time to time applicable to unpaid sums specified in each Facility Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment).

19. SUBSEQUENT SECURITY INTERESTS

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

20. SUSPENSE ACCOUNTS

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

21. RELEASE OF SECURITY

21.1 Release of Security

Upon the expiry of the Security Period, the Common Security Agent shall, at the request and cost of each Chargor, release and cancel the security constituted by this Security Agreement and procure the reassignment to that Chargor of the property and assets assigned to the Common Security Agent pursuant to this Security Agreement, in each case without recourse to, or any representation or warranty by, the Common Security Agent or any of its nominees.

21.2 Clawback

If the Common Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this

Security Agreement and the Security constituted by that document will continue and such amount will not be considered to have been irrevocably discharged.

22. SET-OFF

Each Chargor authorises the Common Security Agent (but the Common Security Agent shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Secured Liabilities any amount or other obligation (contingent or otherwise) owing by the Common Security Agent to each Chargor and apply any credit balance to which each Chargor is entitled on any account with the Common Security Agent in accordance with Clause 14 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

23. DISCRETION AND DELEGATION

23.1 Discretion

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

23.2 Delegation

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

24. GOVERNING LAW

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

25. JURISDICTION

25.1 English courts

Subject to Clause 25.3 (*Exclusive Jurisdiction*), the courts of England have exclusive jurisdiction to settle any dispute arising out of, or in connection with this Security Agreement (including a dispute relating to the existence, validity or termination of this Security Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Security Agreement) (a "**Dispute**").

25.2 Convenient Forum

Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly that no Chargor will argue to the contrary.

25.3 Exclusive Jurisdiction

Notwithstanding Clause 25.1 (*English courts*), the Common Security Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Common Security Agent may take concurrent proceedings in any number of jurisdictions.

25.4 Service of Process

Each Chargor agrees that the documents which start any proceedings in relation to this Security Agreement, and any other documents required to be served in connection with those proceedings, may be served on it by being delivered to:

- (a) in the case of any Chargor incorporated in England and Wales at its registered office or place of business in England and Wales; or, in each case, to such other address in England and Wales; and
- (b) in the case of any Chargor not incorporated in England and Wales, at London & Regional Properties Limited's office or place of business in England and Wales, being, as at the date of this Security Agreement, 55 Baker Street, London W1U 3EW,

or, in each case, to such address in England and Wales as each such Chargor may specify by notice in writing to the Common Security Agent or otherwise in accordance with clause 38 (*Enforcement*) of the Intercreditor Agreement. Nothing in this paragraph shall affect the right of any Finance Party to serve process in any other manner permitted by law. This Clause applies to proceedings in England and proceedings elsewhere.

THIS SECURITY AGREEMENT has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by the Common Security Agent on the date written on the first page of this Security Agreement.

SCHEDULE 1 CHARGORS

Chargors	Registered Number	Jurisdiction
LSREF3 Bermuda 2 Holdings Limited (to be renamed "Atlas Bermuda Holdings 2 Limited")	48897	Bermuda
LSREF3 Hamilton Ltd (to be renamed "Atlas Hamilton Limited")	49128	Bermuda
Atlas Hotels Group Limited	07111690	England and Wales
Atlas Hotels Limited	03218948	England and Wales
Atlas Hotels (Borrowings) Limited	05792123	England and Wales
Atlas Hotels (Group 1) Limited	04781745	England and Wales
Atlas Hotels (Group 2) Limited	03761275	England and Wales
Atlas Hotels (Bath) Limited	03879545	England and Wales
Atlas Hotels (Bristol North) Limited	03596604	England and Wales
Atlas Hotels (Chingford) Limited	03882513	England and Wales
Atlas Hotels (Derby) Limited	03397960	England and Wales
Atlas Hotels (Exeter) Limited	03378479	England and Wales
Atlas Hotels (Glasgow) Limited	03410958	England and Wales
Atlas Hotels (Greenwich) Limited	03548368	England and Wales
Atlas Hotels (Inverness) Limited	03548341	England and Wales
Atlas Hotels (Lincoln) Limited	06020207	England and Wales
Atlas Hotels (Liverpool) Limited	06423529	England and Wales
Atlas Hotels (Oldbury) Limited	03317920	England and Wales
Atlas Hotels (Salford Quays) Limited	03317941	England and Wales
Atlas Hotels (Stoke on Trent)	03591950	England and Wales

Limited

Atlas Hotels (Taunton) Limited	03378656	England and Wales
Atlas Hotels (Warwick) Limited	03317919	England and Wales
Atlas Hotels (York NT) Limited	03550549	England and Wales
Atlas Hotels (Cambridge 2) Limited	06351382	England and Wales
Atlas Hotels (Bedford) Limited	04495360	England and Wales
Atlas Hotels (Dartford – Jersey) Limited	89074	Jersey
Atlas Hotels (Leeds – Jersey) Limited	89071	Jersey
Atlas Hotels (Newcastle – Jersey) Limited	91359	Jersey
Atlas Hotels (Glasgow Airport – Jersey) Limited	89072	Jersey
Atlas Hotels (Poole – Jersey) Limited	89073	Jersey
Atlas Hotels (Luton Airport) Limited	SC208635	Scotland
Atlas Hotels (Hemel Hempstead) Limited	SC241505	Scotland
Atlas Hotels (Cambridge) Limited	SC237325	Scotland
Atlas Hotels (Edinburgh Waterfront) Limited	SC174710	Scotland
Atlas Hotels (Glasgow Airport) Limited	SC177926	Scotland
Atlas Hotels (Stirling) Limited	SC156661	Scotland
Solid Foundations Limited	516303	BVI
Atlas Hotels (Stevenage) Limited	04663698	England and Wales
Atlas Hotels (Borrowings 2) Limited	06260079	England and Wales

Atlas Hotels (Stafford NT2) Limited	06390162	England and Wales
Atlas Hotels (Birmingham NT4) Limited	06390126	England and Wales
Atlas Hotels (Property & Trading) Limited	04018884	England and Wales
Atlas Hotels (Property) Limited	5854109	England and Wales
Atlas Hotels (Group 3 Property) Limited	02567988	England and Wales
Atlas Hotels (Group 4 Property 1) Limited	03439896	England and Wales
Atlas Hotels (Bristol Property) Limited	03262497	England and Wales
Atlas Hotels (Group 4 Property 2) Limited	03328699	England and Wales
Atlas Hotels (Birmingham NT 1) Limited	03479641	England and Wales
Atlas Hotels (Stafford NT 1) Limited	03324967	England and Wales
Atlas Hotels (Trading) Limited	05854147	England and Wales

SCHEDULE 2
MORTGAGED PROPERTY

#	Owner	Hotel	Address	Post Code	Title Number
1	Atlas Hotels (Bath) Limited (03879545)	Holiday Inn Express Bath	Brougham Hayes, Lower Bristol Road, Bath BA2 3QU	BA2 3QU	ST315157, ST206533, ST206532 (intra-group lease)
2	Atlas Hotels (Bedford) Limited (04495360)	Holiday Inn Express Bedford	Wilstead Road, Elstow, Bedford MK42 9BB	MK42 9BF	BD194553
3	Atlas Hotels (Oldbury) Limited (03317920)	Holiday Inn Express Birmingham Oldbury	Land on the west and east side of Birchfield Lane, Oldbury B69 2BD	B69 2BD	WM660650
4	Atlas Hotels (Bristol North) Limited (03596604)	Holiday Inn Express Bristol North	Land at Bristol Parkway, New Road, Stoke Gifford BS34 8TJ.	BS34 8TJ	GR246302
5	Atlas Hotels (Cambridge) Limited (SC237325) Atlas Hotels (Cambridge 2) Limited (6351382)	Holiday Inn Express Cambridge	15-17 Coldhams Business Park, Norman Way, Cambridge CB1 3LH Land adjacent to the Holiday Inn Express Cambridge Land at Cambridge Lakes, Coldhams Lane, Cambridge	CB1 3LH	CB309390 CB326654
6	Atlas Hotels (Dartford - Jersey) Limited (89074)	Holiday Inn Express Dartford Bridge	Littlebrook Manor Way, Dartford DA1 5PA	DA1 5PA	K787179
7	Atlas Hotels (Derby) Limited (03397960)	Holiday Inn Express Derby	Land at Pride Parkway, Derby DE24 8HX	DE24 8HX	DY304661 DY460582
8	Atlas Hotels (Group 1) Limited (4781745)	Holiday Inn Express Droitwich	Worcester Road, Wychbold, Droitwich WR9 7PA	WR9 7PA	HW176264 HW137637 WR88756
9	Atlas Hotels (Group 2) Limited (3761275)	Holiday Inn Express East Midlands Airport	Pegasus Business Park, Castle Donington, DE74 2TQ	DE74 2TQ	LT319451
10	Atlas Hotels (Edinburgh Waterfront) Limited	Holiday Inn Express Edinburgh Waterfront	Britannia Way EH6 6JJ	EH6 6JJ	Unregistered

	(SC174710)				
11	Atlas Hotels (Exeter) Limited (03378479)	Holiday Inn Express Exeter	Site 200 Exeter Business Park, Exeter EX1 3PE	EX1 3PE	DN395494
12	Atlas Hotels (Glasgow Airport - Jersey) Limited (89072) Atlas Hotels (Glasgow Airport) Limited (SC177926)	Holiday Inn Express Glasgow Airport	St Andrews Drive	PA3 2TJ	REN117115 REN101169
13	Atlas Hotels (Glasgow) Limited (03410958)	Holiday Inn Express Glasgow City Riverside	122 Stockwell Street G1 4LW	G1 4LW	GLA133242
14	Atlas Hotels (Hemel Hempstead) Limited (SC241505)	Holiday Inn Express Hemel Hempstead	Stationers Place, Apsley, Hemel Hempstead HR3 9RH	HP3 9RH	HD426492
15	Atlas Hotels (Inverness) Limited (03548341)	Holiday Inn Express Inverness	Stoneyfield	IV2 7PA	Unregistered
16	Atlas Hotels (Leeds – Jersey) Limited (89071)	Holiday Inn Express Leeds City Centre	Cavendish Street, Leeds, LS3 1LY	LS3 1LY	WYK640739
17	Atlas Hotels (Lincoln) Limited (06020207)	Holiday Inn Express Lincoln City Centre	Land on the north east side of Green Lane, Lincoln LN6 7DB	LN6 7DB	LL293345
18	Atlas Hotels (Liverpool) Limited (06423529)	Holiday Inn Express Liverpool City Centre	Hotel Premises and Car Park, Hurst Street, Liverpool L1 8DA	L1 8DA	MS569420 MS573540
19	Atlas Hotels (Chingford) Limited (03882513)	Holiday Inn Express London Chingford	London Chingford North Circular, Walthamstow Avenue, Chingford E4 8ST	E4 8ST	EGL423718
20	Atlas Hotels (Greenwich) Limited (03548368)	Holiday Inn Express London Greenwich	Hotel site on land south of Bugsby's Way, Greenwich SE10 0GD	SE10 0GD	TGL173819
21	Atlas Hotels (Group 2) Limited (03761275)	Holiday Inn Express London Hammersmith	120, 122 and 124 King Street and land and buildings at the back thereof and 27 and 29 Argyle Place,	W6 0QU	NGL234851

			Hammersmith, London W6 0QU		
22	Atlas Hotels (Luton Airport) Limited (SC208635)	Holiday Inn Express Luton Airport	2 Percival Way, Luton Airport, Luton LU2 9GP	LU2 9GP	BD225335 BD236124
23	Atlas Hotels (Salford Quays) Limited (03317941)	Holiday Inn Express Manchester Salford Quays	Waterfront Quay, Salford, Manchester M50 3XW	M50 3XW	GM774718
24	Atlas Hotels (Group 1) Limited (04781745)	Holiday Inn Express Milton Keynes	Land and buildings Tongwell Street, Fox Milne, Milton Keynes, MK15 0YA	MK15 0YA	BM266653 BM252558 BM281748 BM281749
25	Atlas Hotels (Newcastle-Jersey) Limited (91359)	Holiday Inn Express Newcastle City Centre	Land on the east side of St James Boulevard Newcastle upon Tyne NE1 4DN	NE1 4DN	TY417807
26	Atlas Hotels (Group 1) Limited (04781745)	Holiday Inn Express Newport	Celtic Springs Business Park, Cleppa Park, Newport NP10 8BB	NP10 8BB	CYM119834
27	Atlas Hotels (Group 1) Limited (04781745)	Holiday Inn Express Northampton	Loake Close, Grange Park, Northampton NN4 5EZ	NN4 5EZ	NN227024
28	Atlas Hotels (Stirling) Limited (SC156661)	Holiday Inn Express Stirling	Springkerse Business Park	FK7 7XH	STG11896
29	Atlas Hotels (Stoke on Trent) Limited (03591950)	Holiday Inn Express Stoke-on-Trent	Land lying to the east of Stanley Matthews Way, Trentham Lakes, Stoke on Trent ST4 4EG	ST4 4EG	SF408976
30	Atlas Hotels (Group 1) Limited (04781745)	Holiday Inn Express Swansea	Neath Road, Llandarcy, Neath, Swansea East SA10 6GZ	SA10 6GZ	CYM149465
31	Atlas Hotels (Group 2) Limited (3761275)	Holiday Inn Express Swindon - West	Frankland Road, Euroway Park, Blagrove, Swindon SN5 8UD	SN5 8UD	WT195205
32	Atlas Hotels (Taunton) Limited (03378656)	Holiday Inn Express Taunton	Land at Blackbrook Business Park, Taunton TA1 2PX	TA1 2PX	ST191837
33	Atlas Hotels (Warwick) Limited (03317919)	Holiday Inn Express Warwick	Land lying to the South of Stratford Road, Longbridge, Warwick CV34 6TW	CV34 6TW	WK326146

34	Atlas Hotels (Birmingham NT 1) Limited (03479641) and Atlas Hotels (Birmingham NT 4) Limited (06390126) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Birmingham NEC	Land and buildings Bickenhill Parkway, Birmingham, West Midlands B40 1QA Land and buildings Bickenhill Parkway, Birmingham, West Midlands B40 1QA	B40 1QA	WM707586 WM900691 (intra-group lease)
35	Atlas Hotels (Trading) Limited (05854147)	Holiday Inn Express Bradford	The Leisure Exchange, Vicar Lane, Bradford BD1 5LD	BD1 5LD	WYK801454
36	Atlas Hotels (Bristol Property) Limited (03262497) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Bristol City Centre	Block B, Temple Gate House, Temple Gate, Bristol BS1 6PL Block B, Temple Gate House, Temple Gate, Bristol BS1 6PL	BS1 6PL	BL71141 BL98328 (intra-group lease)
37	Atlas Hotels (Group 3 Property) Limited (02567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Gloucester South	Telford Way, Waterwells Business Park, Quedgeley, Gloucester GL2 2AB Telford Way, Waterwells Business Park, Quedgeley, Gloucester GL2 2AB	GL2 2AB	GR239387 GR 215943 GR302679 (intra-group lease)
38	Atlas Hotels (Group 3 Property) Limited (02567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Lichfield	Land and buildings known as Hotel, Wall Island, Lichfield WS14 0QP Land and buildings known as Hotel, Wall Island, Lichfield WS14 0QP	WS14 0QP	SF424740 SF524093 (intra-group lease)
39	Atlas Hotels (Group 3 Property) Limited (2567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Wandsworth	Land on the south side of Smugglers Way, Wandsworth, London SW18 1EG Land on the south side of Smugglers Way, Wandsworth, London SW18 1EG	SW18 1EG	TGL167462 TGL287074 (intra-group lease)
40	Atlas Hotels (Group 3 Property)	Holiday Inn Express	Hyde Road,	M18 7LJ	GM821643

	Limited (2567988) Atlas Hotels (Trading) Limited (5854147)	Manchester East	Manchester M18 7LJ Hyde Road, Manchester M18 7LJ		MAN76570 (intra- group lease)
41	Atlas Hotels (Group 3 Property) Limited (2567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Newcastle Metro	Clasper Way, Swalwell, Newcastle upon Tyne NE16 3BE Clasper Way, Swalwell, Newcastle upon Tyne NE16 3BE	NE16 3BE	TY360190 TY456698 (intra- group lease)
42	Atlas Hotels (Group 3 Property) Limited (2567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Peterborough	Land on south side of Oundle Road, Alwalton, Peterborough PE2 6HE	PE2 6HE	CB211812 CB319209 (intra- group lease)
43	Atlas Hotels (Group 3 Property) Limited (02567988) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Southampton West	Redbridge Lane, Nursling, Southampton SO16 0YP	SO16 0YP	HP581790 HP684589 (intra- group lease)
44	Atlas Hotels (Stafford NT 1) Limited (03324967) and Atlas Hotels (Stafford NT 2) Limited (06390162) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Stafford	Stafford South, Acton Court, Acton Gate, Stafford ST18 9AP Stafford South, Acton Court, Acton Gate, Stafford ST18 9AP	ST18 9AP	SF384424 SF381471 SF525024 (intra- group lease)
45	Atlas Hotels (Stevenage) Limited (04663698)	Holiday Inn Express Stevenage	Danestrete	SG1 1XB	HD303416
46	LSREF3 Hamilton Limited (Bermuda Registered Number 49128) Atlas Hotels (Trading) Limited (5854147)	Holiday Inn Express Hamilton	Keith Street ML3 7BL Keith Street ML3 7BL	ML3 7BL	LAN192382 Unregistered

47	Atlas Hotels (Poole - Jersey) Limited (89073)	Holiday Inn Express Poole	Land and buildings to the West of Seldown Road, Poole BH15 1RZ	BH15 1RZ	DT283428
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**SCHEDULE 3
RELEVANT SHARES**

Chargor	Number of Shares	Company in which Shares are held
LSREF3 Bermuda Holdings 2 Limited (to be renamed "Atlas Bermuda Holdings 2 Limited")	952 "A" Ordinary Shares of £0.01 each 952 "B" Ordinary Shares of £0.01 each 99 "C" Ordinary Shares of £0.01 each 250,000 Preference Shares of £1.00 each	Atlas Hotels Group Limited
Atlas Hotels Group Limited	5,000,100 Ordinary Shares of £1.00 each	Atlas Hotels Limited
	42,000,003 Ordinary Shares of £1.00 each	Atlas Hotels (Borrowings 2) Limited
Atlas Hotels Limited	100,000 A Preferred Ordinary Shares £1.00 each 2,608,170 Ordinary Shares of £1.00 each	Atlas Hotels (Borrowings) Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Bath) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Bristol North) Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Chingford) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Derby) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Exeter) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Glasgow) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Greenwich) Limited
	2 Ordinary Shares of £1.00	Atlas Hotels (Inverness)

	each	Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Lincoln) Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Liverpool) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Oldbury) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Salford Quays) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Stoke on Trent) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Taunton) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Warwick) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (York NT) Limited
	1,317,117 Ordinary Shares of £1.00 each	Atlas Hotels (Cambridge 2) Limited
	200 Ordinary Shares of £1.00 each	Atlas Hotels (Bedford) Limited
	700 A Ordinary Shares of £1.00 each 250 B Ordinary Shares of £1.00 each 50 C Ordinary Shares of £1.00 each	Atlas Hotels (Group 1) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Group 2) Limited
Atlas Hotels (Borrowings 2) Limited	1 Ordinary Share of £1.00	Atlas Hotels (Stafford NT2) Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Birmingham NT4) Limited
	1,000 A Ordinary Shares of	Atlas Hotels (Property &

	£1.00 20,000 B Ordinary Shares of £0.01 each	Trading) Limited
Atlas Hotels (Property and Trading) Limited	35,000,001 Ordinary Shares of £1.00 each	Atlas Hotels (Trading) Limited
	46,198,498 Ordinary Shares of £1.00 each	Atlas Hotels (Property) Limited
Atlas Hotels (Property) Limited	1,356,815,418 Ordinary Shares of £0.01 each	Atlas Hotels (Group 3 Property) Limited
	250,000 Ordinary Shares of £1.00 each	Atlas Hotels (Group 4 Property 1) Limited
	2,220,000 Ordinary Shares of £0.005	Atlas Hotels (Bristol Property) Limited
Atlas Hotels (Group 4 Property 1) Limited	2 Ordinary Shares of £1.00 each	Atlas Hotels (Group 4 Property 2) Limited
Atlas Hotels (Group 4 Property 2) Limited	2 Ordinary Shares of £1.00 each	Atlas Hotels (Wembley NT) Ltd
	1 Ordinary Share of £1.00	Atlas Hotels (Birmingham NT 1) Limited
	2 Ordinary Shares of £1.00 each	Atlas Hotels (Stafford NT 1) Limited
	1 Ordinary Share of £1.00	Atlas Hotels (Swindon NT) Ltd
Atlas Hotels (Birmingham NT 1) Limited	1 Ordinary Share of £1.00	Atlas Hotels (Birmingham NT 3) Ltd
	1 Ordinary Share of £1.00	Atlas Hotels (Birmingham NT 2) Ltd
Solid Foundations Limited	4,100,100 Ordinary Shares of £1.00	Atlas Hotels (Stevenage) Limited

SCHEDULE 4
LEASES AND INSURANCES

PART A
NOTICE OF SECURITY: LEASES

To: [Headlease holder/Tenant]

Date: []

Dear Sirs,

We give you notice that, by a Security Agreement dated [•] 2016, we have created security [by way of equitable assignment] in favour of [•] (the "**Common Security Agent**") as trustee for the Secured Parties over all our rights, title and interest in and to the [*describe Lease (date/term/parties/premises)*] (including all moneys payable thereunder and the proceeds of all claims and judgments for breach of covenant) (the "**Lease**").

We will remain liable to perform all our obligations under the Lease and the Common Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Lease.

[*Sub-Leases only*: We irrevocably instruct and authorise you to pay all payments under or arising under the Lease to our account called " - [•] Account" [*Chargor Name*], Account number [] sort code []. It is very important that you make immediate arrangements for all sums payable by you under the Lease to be paid to this account.]

Please note that:

1. all remedies provided for under the Lease or available at law or in equity are exercisable by, or at the direction of, the Common Security Agent; and
2. all rights, title and interest whatsoever accruing to or for the benefit of us arising under the Lease (including all rights to compel performance) belong to, and are exercisable by, or at the direction of, the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

[*Chargor Name*]

PART B
NOTICE OF SECURITY: INSURANCES

To: [Insurer]

Date: []

Dear Sirs,

We give you notice that, by a Security Agreement dated [•] 2016, we have created security [by way of equitable assignment] in favour of [•] (the "**Common Security Agent**") as trustee for the Secured Parties over all our rights, title and interest in, and to the [*describe Insurances including policy number*] effected by us or on our behalf in relation to the risk to [*describe Property*] (including all moneys payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy of insurance (the "**Policy**").

We will remain liable to perform all our obligations under the Policy and the Common Security Agent is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

With effect from your receipt of this notice we irrevocably instruct and authorise you to:

1. make all payments and claims in excess of £[] under or arising from the Policy to the account called "[*Chargor Name*] – [Deposit/Rent] Account", Account number [] sort code [];
2. name the Common Security Agent as co-insured and loss payee on the Policy; and
3. disclose to the Common Security Agent, without further approval from us, such information regarding the Policy as the Common Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.

Please note that:

1. all remedies provided for under the Policy or available at law or in equity are exercisable by the Common Security Agent; and
2. all rights, title and interest whatsoever accruing to or for the benefit of us arising under the Policy (including all rights to compel performance) belong to, and are exercisable by or at the direction of, the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales. Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

[*Chargor Name*]

PART C
ACKNOWLEDGEMENT OF NOTICE OF SECURITY

To: [•] as Common Security Agent

Date: []

Dear Sirs

We confirm receipt of a notice dated [•] 2016 of security created by [*Chargor Name*] (the "**Chargor**") in favour of [•] (the "**Common Security Agent**") over all of the Chargor's rights, title and interest in and to the [Lease/Policy] (as specified in that notice) to which we are a party.

We confirm that:

- (a) we will comply with the terms of such notice; and
- (b) we have not received notice of any prior security over, or interest of any third party in, the [Lease/Policy].

We further confirm that:

- 1. [*Insurances and Leases*: no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Common Security Agent;]
- 2. no termination of such rights, title and interest will be effective unless we have given the Common Security Agent 21 days' written notice of the proposed termination, specifying the action necessary to avoid such termination; [and]
- 3. the Chargor will remain liable to perform all its obligations under the [Lease/Policy] and the Common Security Agent is under no obligation of any kind whatsoever under the [Lease/Policy] nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the [Lease/Policy][.]; and]
- 4. [*Insurances*: no breach or default on the part of the Chargor of any of the terms of such Policy will be deemed to have occurred unless we have given notice of that breach to the Common Security Agent specifying how to make good that breach.]

We confirm that we have made all necessary arrangements for all future payments payable under the [Lease/Policy] to be made into the account specified in the notice.

[*Insurances*: We confirm that we have made all necessary arrangements for the Common Security Agent to be named as co-insured and loss payee].

[*Insurances*: We have not claimed or exercised, and waive all future rights to claim or exercise, any rights of set-off, lien, counterclaim or other similar right now or in the future relating to the Policy.]

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Headlease holder/Tenant/Insurer]

cc. [*Chargor Name*]

**SCHEDULE 5
ACCOUNTS**

**PART A
NOTICE OF SECURITY TO ACCOUNT BANK**

To: [Bank or other financial institution holding the Account]

Date: []

Dear Sirs

We give you notice that, by a Security Agreement dated [•] 2016, we have created security [by way of equitable assignment] in favour of [•] (the "**Common Security Agent**") as trustee for the Secured Parties over any accounts and all moneys (including interest) from time to time standing to the credit of the accounts listed below and the debt or debts represented thereby.

The account[s] maintained with you [is/are]:

Account Name[s]: []
Sort Code[s]: []
Account No[s]: []

[Insert the following if notifying an assignment of, or charge over, Accounts other than an operating Account:

With effect from the date of your receipt of this notice:

- (a) [any existing payment instructions affecting the above Account[s] are to be terminated and all payments and communications in respect of the Accounts should be made to the Common Security Agent or to its order (with a copy to us)] *[insert agreed operating procedures which should be stated to be revocable at any time on notice from the Common Security Agent];* and
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Accounts are exercisable by, or at the direction of, the Common Security Agent.]

[Insert the following if notifying a charge over operating Accounts such as the General Account:

We further instruct and authorise you to act only in accordance with the Common Security Agent's instructions following receipt by you of a notice of the occurrence of [an Event of Default] issued by the Common Security Agent. Until such notice is received by you, we are authorised by the Common Security Agent to receive, withdraw or otherwise transfer any credit balance from time to time on *[specify account]* [subject to *[insert any restrictions set out in the Facility Agreement]*].]

We irrevocably instruct and authorise you to disclose to the Common Security Agent without any reference to or further authority from us and without any inquiry by you as to the

justification for such disclosure, such information relating to [any] account[s] maintained with you from time to time as the Common Security Agent may request you to disclose to it.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

[*Chargor Name*]

PART B
ACKNOWLEDGEMENT OF SECURITY BY ACCOUNT BANK

To: [•] as Common Security Agent

Date: []

Dear Sirs

We confirm receipt of a notice dated [•] 2016 of security created by [*Chargor Name*] (the "**Chargor**") in favour of [•] (the "**Common Security Agent**") over all moneys (including interest) from time to time standing to the credit of the Chargor's account[s] (as specified in that notice) (the "**Account[s]**") which [is/are] maintained with us and the debt or debts represented thereby.

We confirm that:

- (a) we will comply with the terms of that notice; and
- (b) we have not received notice of any prior security over or interest of any third party in [any of] the Account[s]. We confirm that we will not, without the Common Security Agent's prior written consent, amend or vary any rights attaching to the Account[s].

We will act only in accordance with the instructions given by persons authorised by the Common Security Agent and we shall send all statements and other notices given by us relating to the Account to the Common Security Agent.

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts, security and similar rights (however described) which we may have now or in the future in respect of [each of] the Account[s] or the balance thereon to the extent that such rights relate to amounts owed to us by the Chargor.

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Bank or other financial institution holding the Account]

cc. [*Chargor Name*]

**SCHEDULE 6
ASSIGNED LOANS**

**PART A
NOTICE OF ASSIGNMENT**

To: []

Date: []

Dear Sirs,

We give you notice that by a Security Agreement dated [•] 2016 we have created security [by way of equitable assignment] in favour of [•] (the "**Common Security Agent**") over all our rights, title and interest in and to all moneys payable by you to us in respect of [*details of relevant inter-company loan/describe loan agreement*] and all payments by you to us arising under it (the "**Inter-company Loan**").

We shall continue to be solely responsible for the performance of our obligations under or in connection with the Inter-company Loan and the Common Security Agent is under no obligation of any kind whatsoever under the Inter-company Loan nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Inter-company Loan.

With effect from the date of your receipt of this notice:

- (a) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Payments shall be exercisable by, or at the direction of, the Common Security Agent;
- (b) all payments by you to us under or arising from the Inter-company Loan shall be paid to [[Chargor Name] in accordance with the terms of [*describe relevant Subordination Agreement*]]/[at the direction of the Common Security Agent, as it may specify in writing from time to time];[; and]
- (c) all remedies in respect of the Inter-company Loan shall be exercisable by [Chargor Name]]/[the Common Security Agent],

in each case unless you receive written notification from the Common Security Agent to the contrary.

- 2. You are authorised and instructed, without requiring further approval from us, to provide the Common Security Agent with such information relating to the Inter-company Loan as it may from time to time request and to send copies of all notices issued by you under the Inter-company Loan Agreement to the Common Security Agent as well as to us.
- 3. These instructions may not be revoked, nor may the terms of the Inter-company Loan Agreement be amended, varied, waived or terminated, without the prior written consent of the Common Security Agent.

4. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Common Security Agent at [] marked for the attention of [].
5. 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

[ChargorName]

PART B
ACKNOWLEDGEMENT OF ASSIGNMENT

To: [•] as Common Security Agent

Date: []

Dear Sirs

We confirm receipt of a notice dated [•] 2016 of security created by [*Chargor Name*] (the "**Chargor**") in favour of [•] as Common Security Agent over all of the Chargor's rights, title and interest in and to the Inter-company Loan described in that notice.

We confirm that we will comply with the terms of the notice received from the Chargor and that we have not received notice of any prior security over, or interest of any third party in, the Inter-company Loan.

We further confirm that:

- (a) we will comply with the terms of that notice until we receive written notification from you to the contrary.
- (b) we have not claimed or exercised, and waive all future rights to claim or exercise, any rights of set-off, lien, counterclaim or other similar right now or in the future relating to the Inter-company Loan; and
- (c) no amendment, waiver, release or termination of any rights, interests and benefits in and to Inter-company Loan shall be effective without your prior written consent.

For and on behalf of [*relevant counterparty*]

By:

Dated: ]

**SCHEDULE 7
HEDGING AGREEMENTS**

**PART A
NOTICE OF ASSIGNMENT**

To: [Hedge Counterparty]

Date: []

Dear Sirs,

1. We give you notice that by a Security Agreement dated [•] 2016 we have created security [by way of equitable assignment] in favour of to [•] (the "**Common Security Agent**") over all our rights, title and interest in and to [*details of relevant Hedging Agreement*] (including all monies payable thereunder[, but subject to the application of any rights of set-off or netting provided for thereunder]) (the "**Hedging Agreement**").
2. We shall continue to be solely responsible for the performance of our obligations under or in connection with the Hedging Agreement and the Common Security Agent is under no obligation of any kind whatsoever under the Hedging Agreement nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Hedging Agreement.
3. With effect from the date of your receipt of this notice:
 - (a) all payments by you to us under or arising from the Hedging Agreement shall be paid to [the Rent Account] / [*insert payment instructions/account details*], or otherwise at the direction of the Common Security Agent, as it may [at any time after the occurrence of an Event of Default] specify in writing from time to time;
 - (b) all remedies provided for in the Hedging Agreement or available at law or in equity shall be exercisable by, or at the direction of, the Common Security Agent; and
 - (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising under the Hedging Agreements shall be exercisable by, or at the direction of, the Common Security Agent,

[in each case, subject to the application of any rights of set-off or netting provided for in the Hedging Agreement].
4. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Common Security Agent at [] marked for the attention of [].
5. This notice [and any non-contractual obligations arising out of or in connection with it] [is/are] governed by the laws of England and Wales.

Yours faithfully,

For and on behalf of

[*Chargor Name*]

PART B
ACKNOWLEDGEMENT OF ASSIGNMENT

To: [•] (as "**Common Security Agent**")

Date: []

Dear Sirs

We confirm receipt of a notice dated [•] 2016 of security created by [*Chargor Name*] (the "**Chargor**") in favour of [•] (the "**Common Security Agent**") of all the Chargor's rights, title and interest in and to the Hedging Agreement (as specified in that notice).

We confirm that:

- (a) we will comply with the terms of such notice; and
- (b) we have not received notice of any prior security over, or the interest of any third party in, the Hedging Agreement.

We further acknowledge:

- (a) no amendment, waiver or release of any rights, title and interest arising under the Hedging Agreement will be effective without the prior written consent of the Common Security Agent;
- (b) [the right to exercise certain rights, title and interest (including certain termination rights) is subject to clause 8.4 (*Hedging*) of the Facility Agreement (as defined in the Security Agreement);]
- (c) [no termination of such rights, title and interest will be effective unless we have given the Common Security Agent 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination;] and
- (d) the Chargor will remain liable to perform all its obligations under the Hedging Agreement and the Common Security Agent is under no obligation of any kind whatsoever under the Hedging Agreement nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Hedging Agreement.

[Except as otherwise specified on the notice] we have not claimed or exercised, and waive all future rights to claim or exercise, any rights of set-off, lien, counterclaim or other similar right now or in the future relating to amounts owed to us by the Chargor (and the proceeds thereof) under the Hedging Agreement.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Hedge Counterparty]

cc. [*Chargor Name*]

**SCHEDULE 8
CONTRACTS**

**PART A
NOTICE OF SECURITY**

To: [Contract counterparty]

Date: []

Dear Sirs,

We give you notice that, by a Security Agreement dated [•] 2016 (the "**Security Agreement**"), we have created security [by way of equitable assignment] in favour of [•] (the "**Common Security Agent**") as trustee for the Secured Parties over all our rights, title and interest in, to and under the [*describe contract*] dated [] between [] relating to [] including all monies payable thereunder (the "**Contract**").

We will remain liable to perform all our obligations under the Contract and the Common Security Agent is under no obligation of any kind whatsoever under the Contract nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Contract.

EITHER

1. Please note that with effect from the date of your receipt of this notice:
 - (a) [all payments by you to us arising from the Contract shall be paid to, or at the direction of, the Common Security Agent];
 - (b) all remedies provided for under the Contract (or otherwise available) are exercisable by, or at the direction of, the Common Security Agent; and
 - (c) all rights, title and interest whatsoever accruing to or for the benefit of ourselves arising under the Contract (including all rights to compel performance) shall be exercisable by, or at the direction of, the Common Security Agent.

OR

2. Please note that with effect from the date of your receipt of this notice, until such time as you receive written notification from the Common Security Agent to the contrary:
 - (a) all payments by you to us arising under the Contract shall be paid to us; and
 - (b) all remedies provided for in the Contract (or otherwise available) and all rights to compel performance of the Contract shall be exercisable by us.

You are authorised and instructed to disclose to the Common Security Agent, without further approval from us, such information regarding the Contract as the Common Security Agent may from time to time request and to send copies of all notices issued by you under the Contract to the Common Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied, waived or terminated, without the prior written consent of the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

[*Chargor Name*]

PART B
ACKNOWLEDGEMENT OF NOTICE OF SECURITY

To: [•] (as Common Security Agent)

Date: []

Dear Sirs

We confirm receipt of a notice dated [•] 2016 of security created by [*Chargor Name*] (the "**Chargor**") in favour of [•] (the "**Common Security Agent**") over all the Chargor's rights, title and interest in and to the Contract (as specified in that notice).

We confirm that:

- (a) we will comply with the terms of such notice; and
- (b) we have not received notice of any prior security over, or the interest of any third party in, the Contract.

We further confirm that:

- (a) no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Common Security Agent;
- (b) no termination of such rights, title and interest will be effective unless we have given the Common Security Agent 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination;
- (c) the Chargor will remain liable to perform all its obligations under the Contract and the Common Security Agent is under no obligation of any kind whatsoever under the Contract nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Contract; and
- (d) no breach or default on the part of the Chargor of any of the terms of the Contract will be deemed to have occurred unless we have given notice of such breach to the Common Security Agent specifying how to make good such breach.

[We confirm that we have made all necessary arrangements for all future payments payable under the Contract to be made as specified in the notice.]

We have not claimed or exercised, and waive all future rights to claim or exercise, any rights of set-off, lien, counterclaim or other similar right now or in the future relating to amounts owed to us by the Chargor.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Contract counterparty]

cc. [*Chargor Name*]

EXECUTION PAGE

Chargors

EXECUTED AS A DEED on behalf of)
LSREF3 Bermuda Holdings 2 Limited)
 incorporated in Bermuda, acting by)
 [REDACTED])
 being a person)
 who, in accordance with the laws of)
 Bermuda, is)
 acting under the authority of the company)

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

Witness Occupation:

Address for notices:
(for all Chargors)

Address:

Attention

EXECUTED AS A DEED on behalf of)
LSREF3 Hamilton Limited)
incorporated in Bermuda, acting by)
[REDACTED])
being a person)
who, in accordance with the laws of)
Bermuda, is)
acting under the authority of the company)



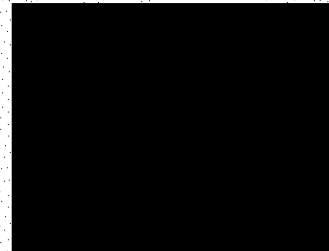
in the presence of:

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: _____

Witness Occupation: _____



EXECUTED AS A DEED by)
Atlas Hotels Group Limited)
acting by)



Director

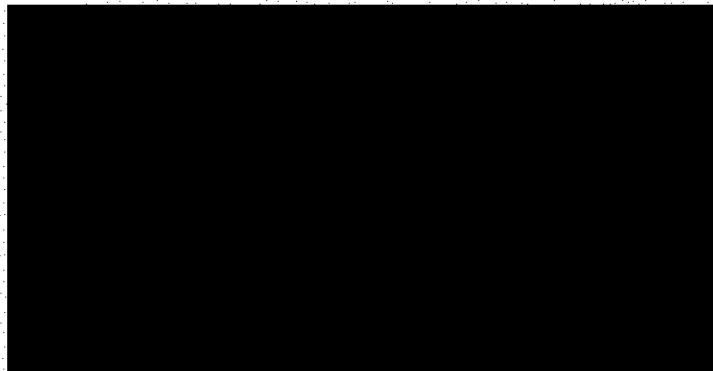


In the presence of:

Witness's signature: [REDACTED]

Name: [REDACTED]

Address: [REDACTED]



EXECUTED AS A DEED by

Atlas Hotels Limited

acting by

[Redacted]

)

)

)

[Redacted]

Director

In the presence of:

Witness's signature:

[Redacted]

Name:

[Redacted]

Address:

[Redacted]

EXECUTED AS A DEED by

Atlas Hotels (Borrowings) Limited

acting by

[Redacted]

)

)

)

[Redacted]

Director

In the presence of:

Witness's signature:

[Redacted]

Name:

[Redacted]

Address:

[Redacted]

EXECUTED AS A DEED by

Atlas Hotels (Group 1) Limited

acting by

[Redacted]

)

)

)

[Redacted]

Director

In the presence of:

Witness's signature:

[Redacted]

Name:

[Redacted]

Address:

[Redacted]

EXECUTED AS A DEED by
Atlas Hotels (Group 2) Limited
acting by

)
)
)



Director

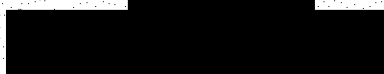


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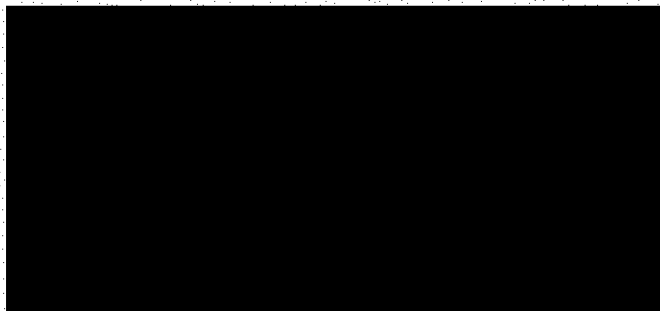
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Bath) Limited
acting by

)
)
)



Director

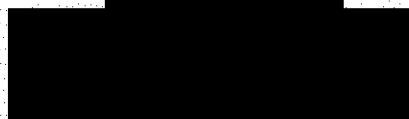


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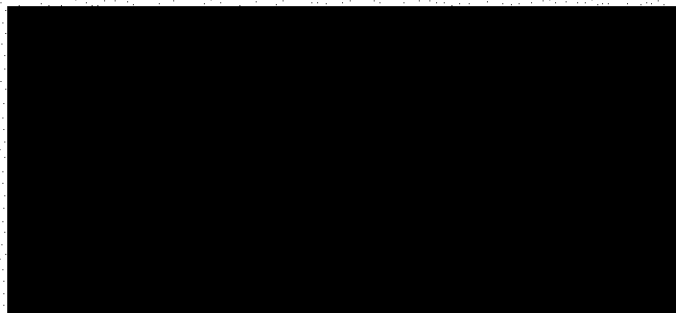
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Bristol North) Limited
acting by

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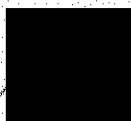


Director



In the presence of:

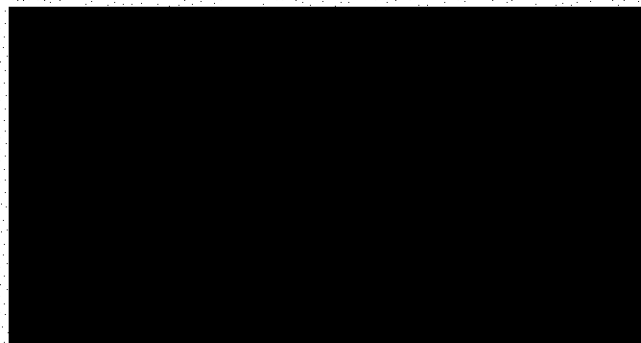
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Chingford) Limited
acting by

)
)
)



Director



In the presence of:

Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Derby) Limited
acting by

)
)
)



Director

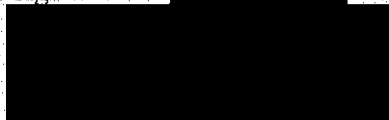


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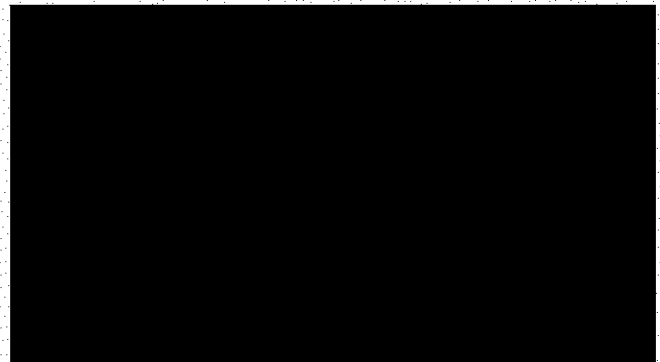
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Name:

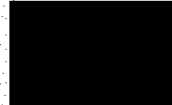


Address:



EXECUTED AS A DEED by
Atlas Hotels (Exeter) Limited
acting by

)
)
)



Director

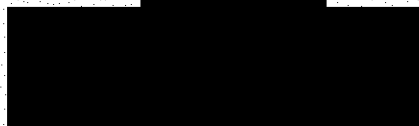


In the presence of:

Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Glasgow) Limited
acting by

)
)
)

Director

In the presence of:

Witness's signature:
Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Greenwich) Limited
acting by

)
)
)

Director

In the presence of:

Witness's signature:
Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Inverness) Limited
acting by

)
)
)

Director

In the presence of:

Witness's signature:
Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Lincoln) Limited
acting by

)
)
)



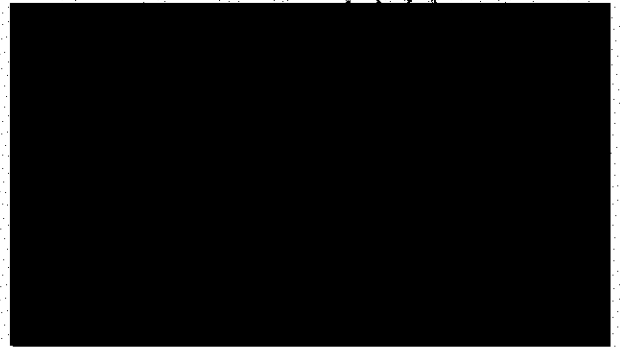
Director

In the presence of:

Witness's signature:

Name:

Address:



EXECUTED AS A DEED by
Atlas Hotels (Liverpool) Limited
acting by

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)
)



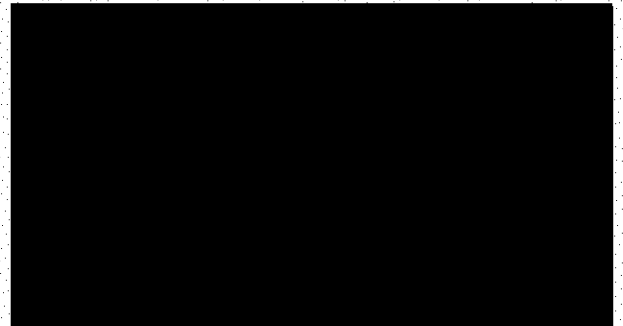
Director

In the presence of:

Witness's signature:

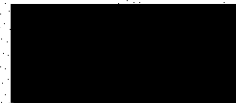
Name:

Address:



EXECUTED AS A DEED by
Atlas Hotels (Oldbury) Limited
acting by

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)
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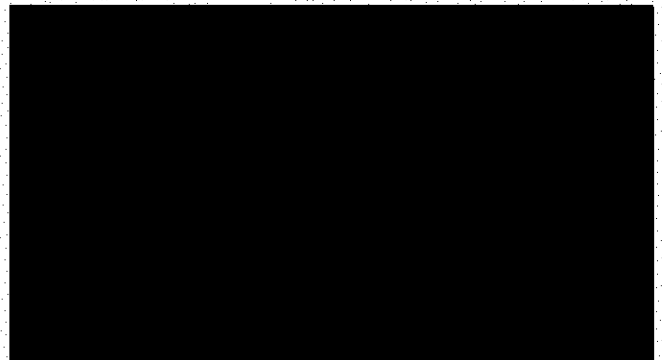
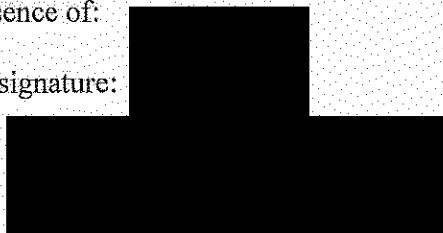
Director

In the presence of:

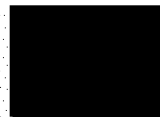
Witness's signature:

Name:

Address:



EXECUTED AS A DEED by)
Atlas Hotels (Salford Quays) Limited)
acting by)



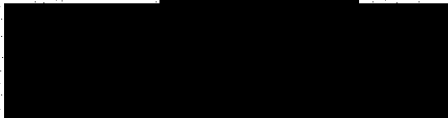
Director

In the presence of:

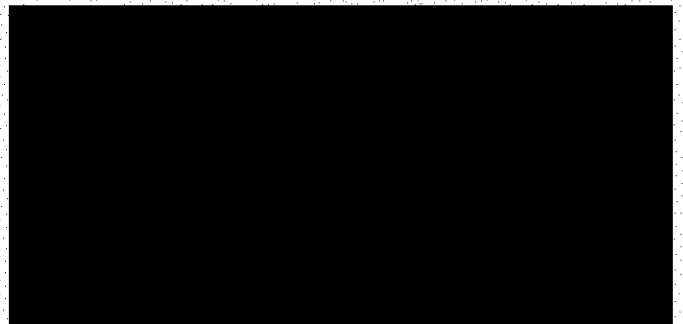
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by)
Atlas Hotels (Stoke on Trent) Limited)
acting by)



Director

In the presence of:

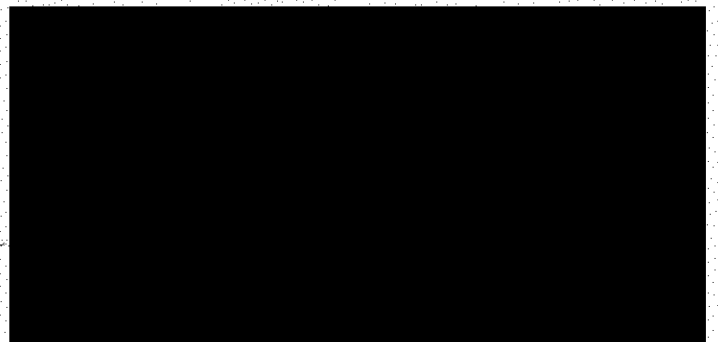
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by)
Atlas Hotels (Taunton) Limited)
acting by)



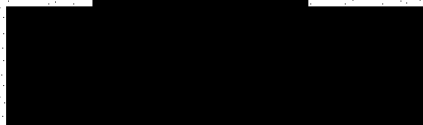
Director

In the presence of:

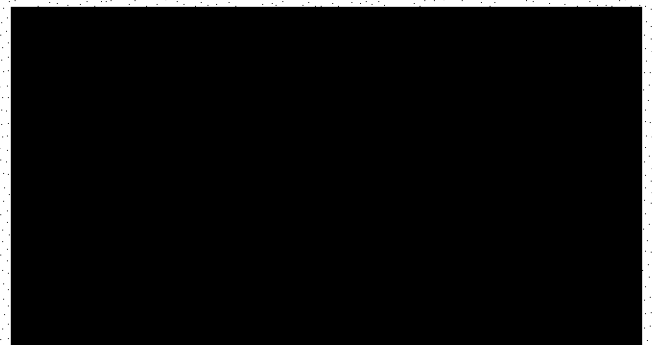
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by)
Atlas Hotels (Warwick) Limited)
acting by)

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by)
Atlas Hotels (York NT) Limited)
acting by)

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by)
Atlas Hotels (Cambridge 2) Limited)
acting by)

Director

In the presence of:

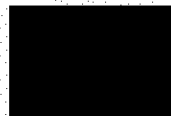
Witness's signature:

Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Bedford) Limited
acting by

)
)
)



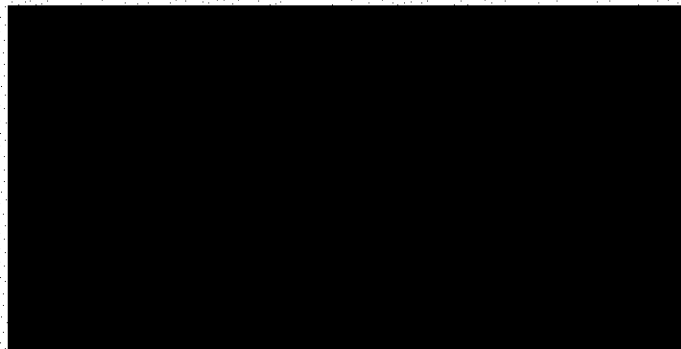
Director

In the presence of:

Witness's signature:

Name:

Address:



EXECUTED AS A DEED on behalf of
Atlas Hotels (Dartford – Jersey) Limited
incorporated in Jersey, acting by

)
)
)
)
)
)
)

being a person

who, in accordance with the laws of

Jersey, is

acting under the authority of the company

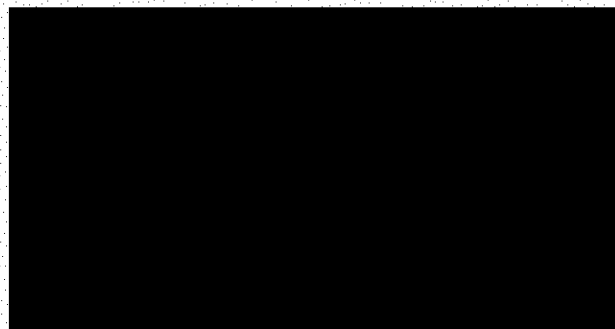


in the presence of:

Witness Signature:

Witness Name:

Witness Address:



Witness Occupation:



EXECUTED AS A DEED on behalf of)
Atlas Hotels (Leeds – Jersey) Limited)
incorporated in Jersey, acting by)
[REDACTED])
being a person)
who, in accordance with the laws of)
Jersey, is)
acting under the authority of the company)

in the presence of:

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: [REDACTED]
[REDACTED]

Witness Occupation: [REDACTED]

EXECUTED AS A DEED on behalf of)
Atlas Hotels (Newcastle – Jersey) Limited)
incorporated in Jersey, acting by)
[REDACTED])
being a person)
who, in accordance with the laws of)
Jersey, is)
acting under the authority of the company)

in the presence of:

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: [REDACTED]
[REDACTED]

Witness Occupation: [REDACTED]

EXECUTED AS A DEED on behalf of)
Atlas Hotels (Glasgow Airport – Jersey))
Limited)
incorporated in Jersey, acting by)
[REDACTED])
being a person)
who, in accordance with the laws of)
Jersey, is)
acting under the authority of the company)

in the presence of:

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: _____

Witness Occupation: [REDACTED]

EXECUTED AS A DEED on behalf of)
Atlas Hotels (Poole – Jersey) Limited)
incorporated in Jersey, acting by)
[REDACTED])
being a person)
who, in accordance with the laws of)
Jersey, is)
acting under the authority of the company)

in the presence of:

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: _____

Witness Occupation: [REDACTED]

EXECUTED AS A DEED by
Atlas Hotels (Luton Airport) Limited
acting by

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Hemel Hempstead) Limited
acting by

Director

in the presence of:

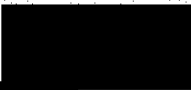
Witness Signature:

Witness Name:

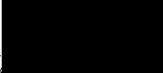
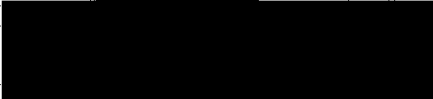
Witness Address:

Witness Occupation:

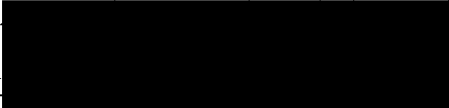
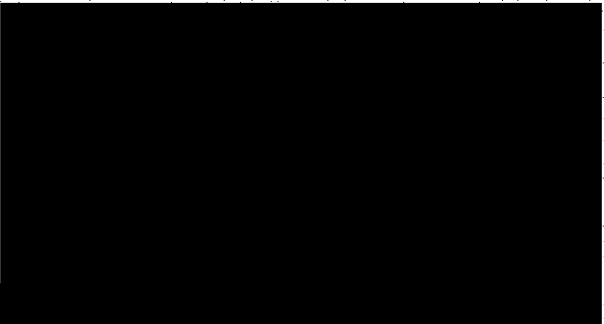
EXECUTED AS A DEED by
Atlas Hotels (Cambridge) Limited
acting by

Director 


in the presence of:

Witness Signature: 
Witness Name: 

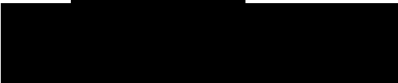
Witness Address: _____

Witness Occupation:  

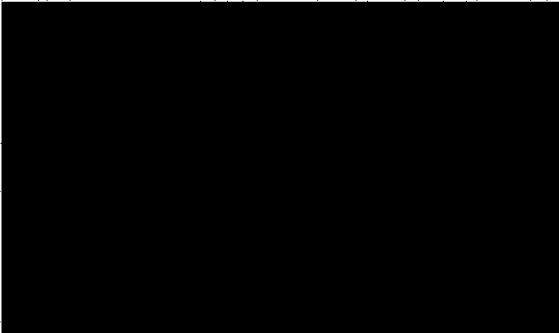
EXECUTED AS A DEED by
Atlas Hotels (Edinburgh Waterfront) Limited
acting by

Director 


in the presence of:

Witness Signature: 
Witness Name: 

Witness Address: _____

Witness Occupation:  

EXECUTED AS A DEED by
Atlas Hotels (Glasgow Airport) Limited
acting by

Director 

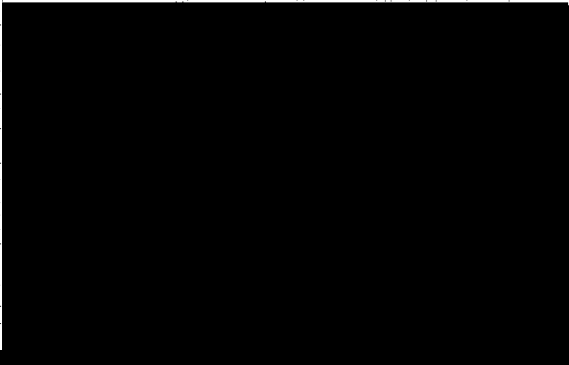

in the presence of:

Witness Signature: 

Witness Name: 

Witness Address: _____

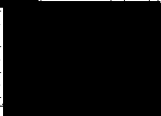
Witness Occupation: 



EXECUTED AS A DEED by
Atlas Hotels (Stirling) Limited
acting by

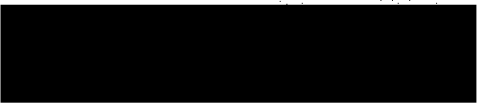
Director 

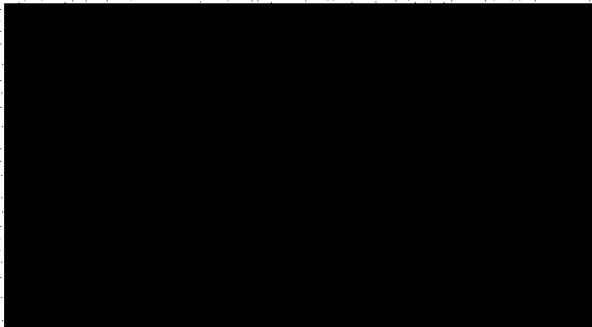

in the presence of:

Witness Signature: 

Witness Name: 

Witness Address: _____

Witness Occupation: 



EXECUTED AS A DEED on behalf of)
Solid Foundations Limited)
incorporated in The British Virgin Islands,))
acting by))
being a person))
who, in accordance with the laws of)
The British Virgin Islands, is)
acting under the authority of the company)



in the presence of:



Witness Signature:

Witness Name:



Witness Address:



Witness Occupation:

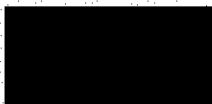
EXECUTED AS A DEED by)
Atlas Hotels (Stevenage) Limited)
acting by -)



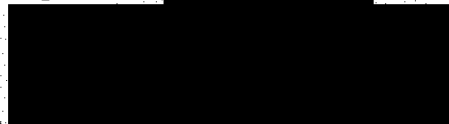
Director

In the presence of:

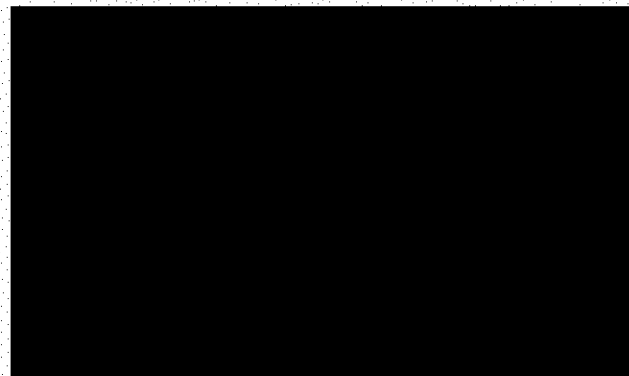
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Borrowings 2) Limited
acting by

)
)
)



Director

In the presence of:

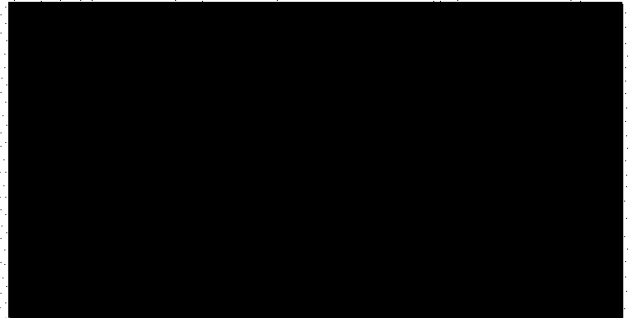
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Stafford NT2) Limited
acting by

)
)
)



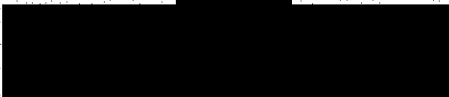
Director

In the presence of:

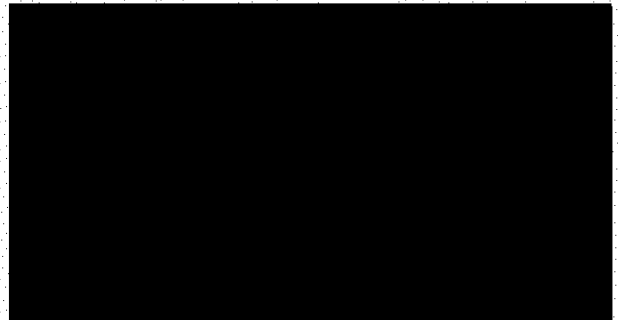
Witness's signature:



Name:

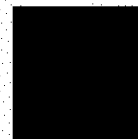


Address:



EXECUTED AS A DEED by
Atlas Hotels (Birmingham NT4) Limited
acting by

)
)
)



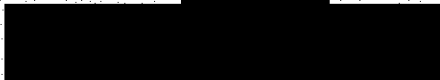
Director

In the presence of:

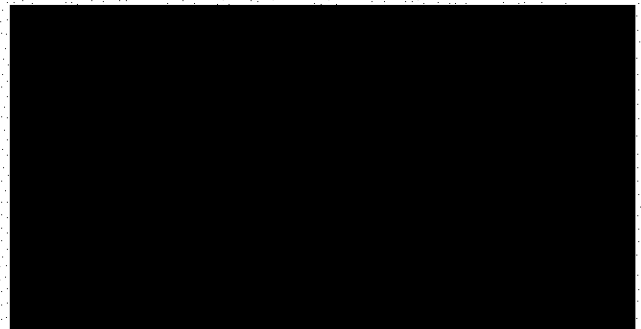
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Property & Trading) Limited
acting by

)
)
)



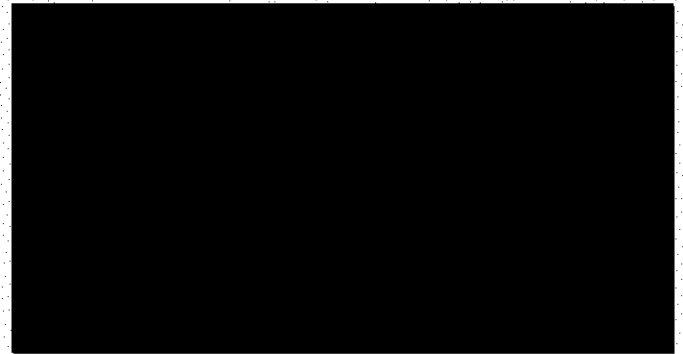
Director

In the presence of:

Witness's signature:

Name:

Address:



EXECUTED AS A DEED by
Atlas Hotels (Property) Limited
acting by

)
)
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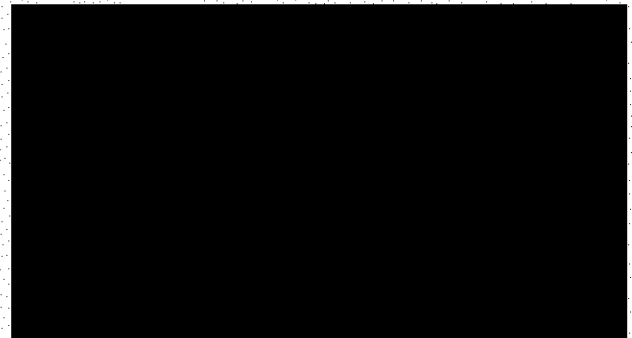
Director

In the presence of:

Witness's signature:

Name:

Address:



EXECUTED AS A DEED by
Atlas Hotels (Group 3 Property) Limited
acting by

)
)
)



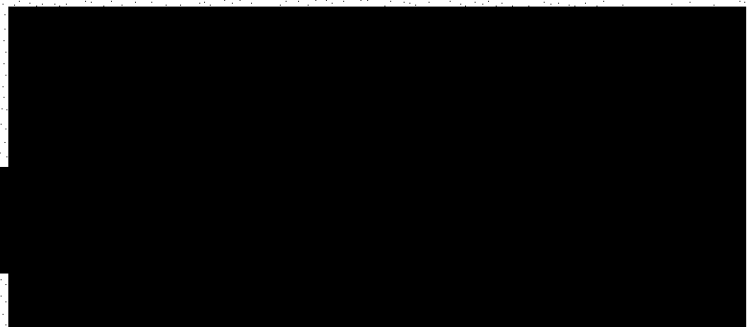
Director

In the presence of:

Witness's signature:

Name:

Address:



EXECUTED AS A DEED by)
Atlas Hotels (Group 4 Property 1) Limited)
acting by)

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by)
Atlas Hotels (Bristol Property) Limited)
acting by)

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by)
Atlas Hotels (Group 4 Property 2) Limited)
acting by)

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by
Atlas Hotels (Birmingham NT 1) Limited
acting by

)
)
)



Director



In the presence of:

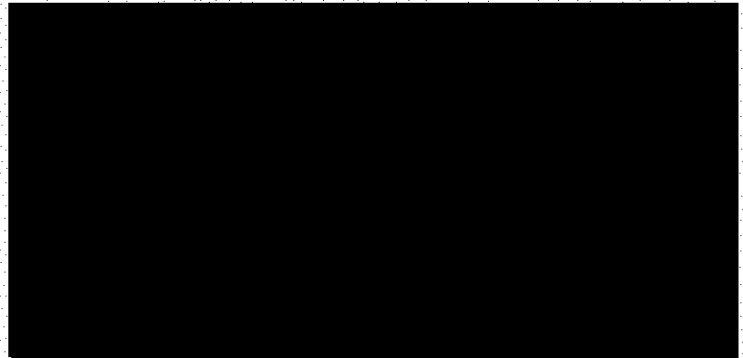
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Stafford NT 1) Limited
acting by

)
)
)



Director



In the presence of:

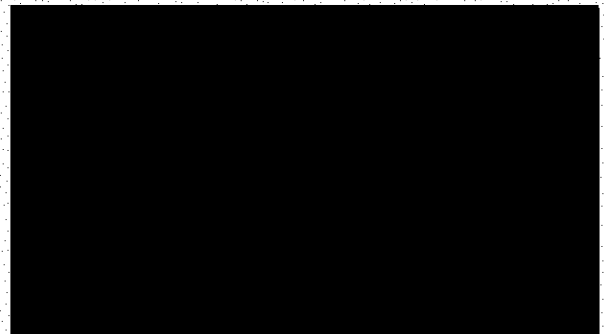
Witness's signature:



Name:



Address:



EXECUTED AS A DEED by
Atlas Hotels (Trading) Limited
acting by

)
)
)



Director



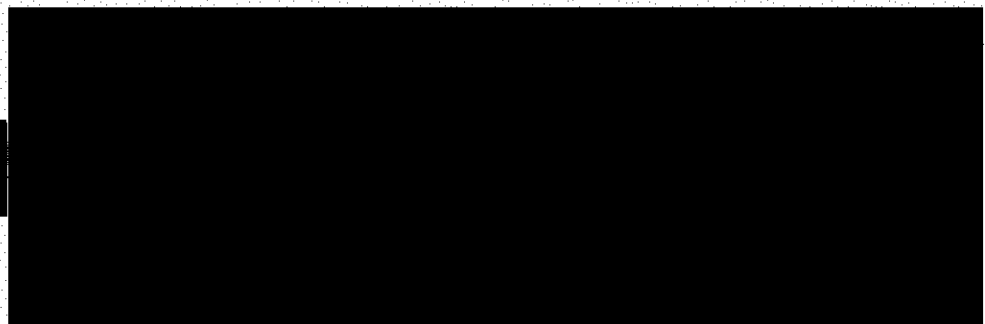
In the presence of:

Witness's signature:

Name:



Address:



Common Security Agent

Signed by
DEUTSCHE BANK AG, LONDON
BRANCH
for and on its behalf
by its duly authorised
officer

)
)
)
)
)
)

