In accordance with Sections 859A and 859J of the Companies Act 2006

MR01
Particulars of a charge

Laserform

12147/13

A fee is payable with this form. Please see 'How to pay' on the last page

You can use the WebFiling service to file this form online. Please go to www companies

✓ **What this form is for** You may use this form to register a charge created or evidenced by an instrument

✗ **What this form is NOT for** You may not use this form to register a charge where there instrument Use form MR08

FRIDAY

L4073XA9

LD5 30/01/2015 #17

COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

You **must** enclose a certified copy of the instrument with this form This will be scanned and placed on the public record **Do not send the original.**

1 Company details

For official use 9

Company number	0 3 6 6 9 2 8 4
Company name in full	Maybourne Hotels Limited
	(the "Chargor")

→ **Filling in this form** Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date	d 2 d 3 m 0 m 1 y 2 y 0 y 1 y 5

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name	Capita Trust Company Limited as Common Security Trustee
	(as trustee for each of the Finance Parties)
Name	
Name	
Name	

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01
Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

N/A

Please submit only a short description If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5 Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

[x] **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

[x] **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

[x] **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge?
Please tick the appropriate box

[x] **Yes**

☐ **No**

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

❶ This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X CLIFFORD CHANCE LLP X

Clifford Chance LLP

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

MR01
Particulars of a charge

Presenter information

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

Contact name Adam Eagle 70-40591626

Company name Clifford Chance LLP

Address 10 Upper Bank Street

Post town London

County/Region

Postcode E 1 4 5 J J

Country United Kingdom

DX 149120 Canary Wharf 3

Telephone 020 7006 1000

Certificate

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

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☑ The company name and number match the information held on the public Register
- ☑ You have included a certified copy of the instrument with this form
- ☑ You have entered the date on which the charge was created
- ☑ You have shown the names of persons entitled to the charge
- ☑ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☑ You have given a description in Section 4, if appropriate
- ☑ You have signed the form
- ☑ You have enclosed the correct fee
- ☑ Please do not send the original instrument, it must be a certified copy

Important information

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

How to pay

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

Make cheques or postal orders payable to 'Companies House'

Where to send

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

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

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

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

Further information

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

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

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3669284

Charge code. 0366 9284 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd January 2015 and created by MAYBOURNE HOTELS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th January 2015.

Given at Companies House, Cardiff on 3rd February 2015

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

CLIFFORD
CHANCE

CLIFFORD CHANCE LLP

EXECUTION VERSION

DATED 23 January 2015

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

CAPITA TRUST COMPANY LIMITED
AS THE COMMON SECURITY TRUSTEE

DEBENTURE
WITH FLOATING CHARGE

SUBJECT TO THE TERMS OF AN INTERCREDITOR AGREEMENT ORIGINALLY DATED 28 DECEMBER 2012 AS AMENDED ON OR ABOUT THE DATE OF THIS AGREEMENT ENTERED INTO BETWEEN, AMONGST OTHERS, THE COMMON SECURITY TRUSTEE AND THE CHARGORS

We hereby certify this
to be a true copy of the
original.
Signed L Griffiths 29/09/15
Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

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THIS DEBENTURE is made by way of deed on 23 January 2015 by

(1) **THE PERSONS** listed in Schedule 1 (*Chargors*) (each a **"Chargor"**) in favour of

(2) **CAPITA TRUST COMPANY LIMITED** as trustee for each of the Finance Parties (the **"Common Security Trustee"**)

THIS DEED WITNESSES as follows

1 DEFINITIONS AND INTERPRETATION

1 1 Terms defined

In this Debenture and each Legal Charge

"Acceleration Event" means the giving of notice pursuant to Clause 25 1 (*Acceleration*) of the Facility Agreement

"Administration Event" means

(a) the presentation of an application to the court for the making of an administration order in relation to a Chargor, or

(b) the giving of notice by any person (who is entitled to do so) of its intention to appoint an administrator to a Chargor or files such a notice with the court.

"Assigned Loans" means the rights and assets expressed to be assigned pursuant to Clause 3 2(g) (*Assignment by way of Security*)

"Charged Assets" means each of the assets and undertaking of each Chargor which from time to time are the subject of any Security created or expressed to be created by it in favour of Common Security Trustee by or pursuant to this Debenture and any Legal Charge

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

"Final Discharge Date" has the meaning given to that term in the Intercreditor Agreement.

"Inter-company Loan Agreement" means any indebtedness entered into or to be entered into between a Chargor and any Obligor and all other present and future indebtedness, sums, obligations or liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever) of an Obligor to the Chargors (or any of them)

"Intercreditor Agreement" means the intercreditor agreement originally dated 28 December 2012 as amended on or about the date of this agreement and made between, amongst others, the Senior Borrowers, the Lead Arrangers, the Common Security Trustee, the Senior Agent and the Mezzanine Agent.

"Investments" means all stocks, shares, debentures, 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 by or on behalf of any Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf

"Legal Charge" means a charge by way of legal mortgage in respect of all or any part of the Real Property between the Chargors and the Common Security Trustee substantially in the form of Schedule 6 (*Form of Legal Charge*)

"LLP" means 41-43 Brook Street LLP (a limited liability partnership registered in England and Wales with number OC335486)

"Mezzanine Discharge Date" has the meaning given to that term in the Intercreditor Agreement

"Mezzanine Facility Agreement" means the mezzanine facility agreement dated 22 December 2012 as amended and restated on 23 January 2015 between, amongst others, the Borrower, the Original Guarantors, the Lead Arranger, Situs Asset Management Limited as the Agent, the Security Trustee, the Lenders and the Original Counterparties (each as defined in that agreement as amended, varied, novated or supplemented from time to time)

"Mortgaged Property" means the freehold and leasehold property specified in the Schedule to each Legal Charge and any freehold or leasehold property specified in Schedule 2 (*Mortgaged Property*)

"Partnership Agreement" means the limited liability partnership agreement relating to the LLP dated 12 March 2008 made between Brook Street Trustee Co Number 1 Limited and Brook Street Trustee Co Number 2 Limited constituting the LLP as the same may be amended, restated, novated or supplemented from time to time

"Real Property" means (including as provided in Clause 1 7 (*Real Property*)), the Mortgaged Property and any present or future freehold or leasehold 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 (as the Common Security Trustee may specify at any time in any relevant appointment) and that term will include any appointee made under a joint or several appointment

"Relevant Facility Agreement" means

(a) prior to the Senior Discharge Date, the Senior Facility Agreement,

(b) on or after the Senior Discharge Date and at any time until the Mezzanine Discharge Date, the Mezzanine Facility Agreement, and

(c) on or after the Mezzanine Discharge Date, the Senior Facility Agreement

"Relevant Loans" means each and every sum paid or payable from time to time to any Chargor pursuant to each Inter-company Loan Agreement and any other sum from time to time paid or payable by any subsidiary of any Chargor for the time being to any Chargor

"Related Rights" means, in relation to any asset

(a) the proceeds of sale 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 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 of any Chargor's other present and future Shares and all rights relating thereto in which a Chargor has an interest

"Secured Obligations" has the meaning given to the term "Common Secured Obligations" in the Intercreditor Agreement

"Security Period" means the period beginning on the date of this Debenture and ending on the date on the Final Discharge Date

"Senior Discharge Date" has the meaning given to that term in the Intercreditor Agreement

"Senior Facility Agreement" means the senior facility agreement dated 22 December 2012 as amended and restated on 23 January 2015 between, amongst others, the Borrower, the Original Guarantors, the Lead Arranger, Situs Asset Management Limited as the Agent, the Common Security Trustee, the Lenders and the Original Counterparties (each as defined in that agreement as amended, varied, novated or supplemented from time to time)

"Senior Finance Parties" has the meaning given to such term in the Intercreditor Agreement

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

1 2 Terms defined in other Finance Documents

Unless defined in this Debenture, or the context otherwise requires, a term defined in the Intercreditor Agreement or incorporated into the Intercreditor Agreement by reference to a Relevant Facility Agreement has the same meaning in this Debenture and each Legal Charge, or any notice given under or in connection with this Debenture or any Legal Charge, as if all references in those defined terms to the Intercreditor Agreement were a reference to this Debenture, each Legal Charge or that notice

1 3 **Construction**

Clauses 1 2 (*Construction*) and 1.3 (*Currency symbols and definitions*) of the Intercreditor Agreement will apply as if incorporated in this Debenture and each Legal Charge, or in any notice given under or in connection with this Debenture or any Legal Charge, as if all references in that clause to the Intercreditor Agreement were a reference to this Debenture, that Legal Charge or that notice.

1 4 **Application of provisions in Senior Facility Agreement and Mezzanine Facility Agreement**

Clauses 1 4 (*Third party rights*), 8 3 (*Default interest*), 10 4 (*Break costs*), 13 (*Tax gross up and indemnities*), 14 (*Increased Costs*), 15 (*Other indemnities*), 17 (*Costs and expenses*), 27 1 (*Assignments and transfers by Obligors*), 31 (*Payment mechanics*), 32 (*Set-off*), 33 (*Notices*), 34 1 (*Accounts*), 34.2 (*Certificates and determinations*), 35 (*Partial invalidity*), 36 (*Remedies and waivers*), 36 1 (*Amendments and waivers*) and 40 (*Enforcement*) of the Senior Facility Agreement and Clauses 17 (*The Common Security Agent*), 21 (*Costs and expenses*) and 22 (*Indemnities*) of the Intercreditor Agreement are deemed to form part of this Debenture and each Legal Charge as if expressly incorporated into it and as if all references in those clauses to the Facility Agreement or Intercreditor Agreement (as applicable) were references to this Debenture or any Legal Charge In the event of any inconsistency between the provisions, those provisions of the Intercreditor Agreement shall prevail

1 5 **Incorporation of provisions into each Legal Charge**

Clauses 5 1 (*Restriction on dealings*), 5 2 (*Implied Covenants for Title*), 6 (*Further Assurance*), 8 (*Enforcement of Security*), 9 (*Extension of Powers and Right of Appropriation*), 10 (*Appointment of Receiver or Administrator*), 11 (*Powers of Receivers*), 14 (*Power of Attorney*), 19 (*Release of Security*) and 21 (*Governing Law*) of this Debenture are incorporated into each Legal Charge as if expressly incorporated into that Legal Charge, as if references in those clauses to this Debenture were references to that Legal Charge and as if all references in those clauses to Charged Assets were references to the assets of the Chargors from time to time charged in favour of, or assigned (whether at law or in equity) to the Common Security Trustee by or pursuant to that Legal Charge

1 6 **Legal Charge**

It is agreed that each Legal Charge is supplemental to this Debenture and that, to the extent the provisions of the Debenture duplicate those of any Legal Charge, the provisions of that Legal Charge shall prevail

1 7 **Real Property**

A reference in this Debenture and any Legal Charge 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 Debenture and any Legal Charge to any Mortgaged Property or other asset includes, unless the contrary intention appears, present and future Mortgaged Property and other assets

(b) The absence of or incomplete details of any Charged Assets in any Schedule shall not affect the validity or enforceability of any Security under this Debenture or any Legal Charge

1 9 **Disposition of Property**

The terms of the Finance Documents and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Debenture, each Legal Charge 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 **Clawback**

If the Common Security Trustee considers that any amount paid or credited to any Finance 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 Debenture or any Legal Charge and the Security constituted by those documents will continue and such amount will not be considered to have been irrevocably paid or discharged.

1 11 **Fixed Security**

Clauses 3 1 (*Mortgage*) to 3 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 Debenture or any Legal Charge and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Debenture or any Legal Charge 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

1 12 **No obligation**

The Common Security Trustee shall not be under any obligation in relation to the Charged Assets as a consequence of this Debenture or any Legal Charge and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Charged Assets

2. **COVENANT TO PAY**

Each Chargor covenants with the Common Security Trustee (as trustee for the Finance Parties) to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms and to indemnify the Finance Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay,

discharge and satisfy the Secured Obligations in accordance with their respective terms (which indemnified sums shall be treated as Secured Obligations for the purposes of this Debenture and any Legal Charge).

3 FIXED SECURITY

3 1 Mortgage

Each Chargor charges with full title guarantee in favour of the Common Security Trustee (as trustee for the Finance Parties), as continuing security for the payment and discharge of the Secured Obligations, by way of first legal mortgage, the Mortgaged Property

3 2 Assignment by way of Security

Each Chargor assigns and agrees to assign absolutely with full title guarantee to the Common Security Trustee (as trustee for the Finance Parties) (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 1 (*Mortgage*) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same, as continuing security for the payment and discharge of the Secured Obligations, all of its present and future right, title, share 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, trust agreements 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 Rental Income and Disposal Proceeds and the right to make demand for and receive the same,

(c) any Insurance Policies and all proceeds paid or payable thereunder and all other Related Rights,

(d) the Finance Costs Account, each Existing Approved Account, any account opened with an Other Approved Bank, each Operating Account, the Group Collection Account, the Deposit Account, the Insurance Proceeds Account, the FF&E and Capex Account, and the Covenant Cure Account (and in each case, any renewal or redesignation thereof or substitution therefore) and the debt or debts represented thereby and all other Related Rights,

(e) the Hedge Documents and all proceeds paid or payable thereunder and all other Related Rights,

(f) each Management Agreement, together with all Related Rights,

(g) the Relevant Loans, together with all Related Rights, and

(h) the capital and assets of the LLP, the Partnership Agreement and all Related Rights, together with all present and future claims, causes of action, payments and proceeds in respect thereof

3 3 **Fixed charges**

Each Chargor charges with full title guarantee in favour of the Common Security Trustee (as trustee for the Finance Parties) (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 1 (*Mortgage*) or assigned pursuant to Clause 3 2 (*Assignment by way of Security*)) as continuing security for the payment and discharge of the Secured Obligations, by way of first fixed charge, all of its present and future rights, title, share and interest from time to time in and to each of the following assets·

(a) the Real Property and all Related Rights,

(b) 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,

(c) book and other debts and monetary claims owing to it and any proceeds of those debts and claims and all Related Rights,

(d) patents, trade marks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests to which it is entitled, whether registered or unregistered, the benefit of all applications and its rights to use such assets and all Related Rights,

(e) 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;

(f) goodwill and rights and claims in relation to its uncalled share capital,

(g) rights to recover any VAT on any supplies made to it relating to the Charged Assets and any sums so recovered,

(h) the Relevant Shares (except for those in Westone Hotel Acquisition Company and Raglan Real Estate Acquisition Company) 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),

(i) Investments (except for shares in Westone Hotel Acquisition Company and Raglan Real Estate Acquisition Company) 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,

(j) the capital and assets of the LLP, the Partnership Agreement and all Related Rights, together with all present and future claims, causes of action, payments and proceeds in respect thereof, and

(k) each of the assets which are specified in Clause 3 2 (*Assignment by way of Security*)

4 FLOATING CHARGE

4 1 Floating charge

(a) Each Chargor with full title guarantee charges in favour of the Common Security Trustee (as trustee for the Finance Parties), as continuing security for the payment and discharge of the Secured Obligations, 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 all fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Common Security Trustee (as trustee for the Finance Parties) as security for the Secured Obligations.

(c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by paragraph (a) above

4 2 Conversion of floating charge to fixed Security

(a) The Common Security Trustee may, in its sole discretion, at any time following the occurrence of an Event of Default which is continuing by notice to any Chargor convert the floating charge constituted under Clause 4 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 rule of law which may have a similar effect, the floating charge constituted under Clause 4 1 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge upon the occurrence of an Administration Event

5 PROVISIONS AS TO SECURITY

5 1 Restriction on dealings

Except where agreed in writing by the Common Security Trustee (acting on instructions pursuant to the terms of the Intercreditor Agreement) or as expressly permitted under the Senior Facility Agreement, the Mezzanine Facility Agreement or the Intercreditor Agreement, no Chargor will at any time during the Security Period create or permit to subsist any Security over all or any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets

5 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 3 (*Fixed Security*) or 4 (*Floating charge*)

(b) It shall be implied in respect of Clauses 3 (*Fixed Security*) and 4 (*Floating charge*) that each Chargor is disposing of the Charged 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)

5 3 **Notices of assignment: Leases and Insurance Policies**

(a) Promptly.

(i) upon the date of this Debenture (and in any event within 3 Business Days thereof), in relation to all Leases relating to the Real Property in existence on the date of this Debenture and all Insurance Policies in existence on the date of this Debenture (in each case to the extent that they are assignable or capable of assignment without infringing any contractual provision restricting the same), or

(ii) if later, upon any Chargor entering into a Lease with any person or an Insurance Policy with any insurer (in each case to the extent that they are assignable or capable of assignment without infringing any contractual provision restricting the same),

each Chargor will join the Common Security Trustee in giving notice to all landlords, tenants and other persons which are parties to such Leases and to all insurers party to any Insurance Policy, of the Security constituted under this Debenture and each Legal Charge in respect of any such Lease or Insurance Policy, such notices being substantially in the form set out in Part A of Schedule 4 (*Notice of assignment*)

(b) Each Chargor will use reasonable endeavours to procure from each of the landlords, tenants, insurers and other persons referred to in paragraph (a) above an acknowledgement substantially in the form set out in Part B of Schedule 4 (*Acknowledgement of assignment*) or otherwise in the form set out in the relevant notice of assignment

5 4 **Notice of Security: Control Accounts**

(a) Each Chargor will immediately upon the date of this Debenture in relation to each Control Account and each other account maintained by it, or if later, upon the opening of any other Control Account or any other account, give notice to the relevant bank, building society, financial institution or other person of the assignment constituted under this Debenture, the notice being substantially in the form set out in Part A of Schedule 5 (*Notice of Charge to Account Bank*)

(b) Each Chargor will procure from the Account Bank and use reasonable endeavours to procure from any other such bank, building society or other financial institution, an acknowledgement of receipt of such notice substantially in the form set out in Part B of Schedule 5 (*Acknowledgement of Security by Account Bank*)

5 5 **Notice of Assignment: Relevant Loans**

Promptly following the date of this Debenture (and in any event within three Business Days), in relation to all Relevant Loans in existence on the date of this Debenture, or

immediately upon the entry into of any such Relevant Loan if later, each Chargor shall ensure delivery to the Common Security Trustee of notices of assignment substantially in the form set out in Schedule 7 (*Notice of Assignment Assigned Loans*) (or in such other form as may be agreed by the Common Security Trustee) duly executed by or on behalf of each Chargor and acknowledged by the relevant third party

5 6 **Notices of assignment of Limited Liability Partnership Interest**

(a) Each Chargor shall ensure delivery to the Security Trustee on the date hereof of the notice(s) of assignment in the form set out in Schedule 8 (*Form of Notice of Assignment of Limited Liability Partnership Interest*) (or in such other form as may be agreed by the Security Trustee) duly executed by or on behalf of the relevant Chargor

(b) Each Chargor will procure from the LLP an acknowledgement in the form set out in Part B of Schedule 8 (*Acknowledgement of Assignment*) or otherwise in the form set out in the relevant notice of assignment

5 7 **Notices of Security: other assets**

Each Chargor give notices of assignment or charge (in such form as may be specified by the Common Security Trustee) in respect of any asset (other than those specified in Clause 5 3 (*Notices of assignment Leases and Insurance Policies*) and Clause 5 4 (*Notices of Security Control Accounts)*) which is the subject of an assignment or charge pursuant to Clause 3 (*Fixed Security*) promptly upon the request of the Common Security Trustee from time to time and will use reasonable endeavours to procure from the recipient of those notices, an acknowledgement in a form satisfactory to the Common Security Trustee

5 8 **Delivery of share certificates**

Each Chargor shall

(a) on the date of this Debenture, deposit with the Common Security Trustee (or procure the deposit of)

(i) all certificates or other documents to title to the Relevant Shares (and, in the case of the LLP, membership interests) and stock transfer forms (executed in blank by it or on its behalf),

(ii) an accession agreement (executed in blank) by each relevant Chargor which is a member of the LLP,

(iii) a unanimous resolution of the members of the LLP in their capacity as members of the LLP approving the admission of any person as a new member of the LLP who accedes as a result of the enforcement by the Common Security Trustee of the Security granted under this Debenture, 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, notify the

Common Security Trustee of that occurrence and procure the delivery to the Common Security Trustee 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 Trustee may reasonably request.

5 9 **Deposit of title deeds**

Each Chargor shall

(a) immediately upon the execution of this Debenture or any Legal Charge (and upon the acquisition by it of any interest in any Charged Assets at any time) deposit (or procure the deposit) with the Common Security Trustee all deeds, certificates and other documents constituting or evidencing title to the Charged Assets which are in its possession or control (unless it is agreed with the Common Security Trustee that all such deeds, certificates or other documents may be held by a solicitor, notary or other legal counsel subject to an undertaking in favour of and approved by the Common Security Trustee), and

(b) deposit with the Common Security Trustee at any time thereafter any further such deeds, certificates and other documents, promptly upon coming into possession of any of those items (unless it is agreed with the Common Security Trustee that all such deeds, certificates or other documents may be held by a solicitor, notary or other legal counsel subject to an undertaking in favour of and approved by the Common Security Trustee)

5 10 **Application to the Land Registry**

Each Chargor hereby consents to an application being made to the Land Registry to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property substantially in the form set out in the Legal Charge

5 11 **Further Loans**

(a) Subject to the terms of the Relevant Facility Agreement, each Lender is under an obligation to make further Loans to each Chargor and that obligation will be deemed to be incorporated in this Debenture as if set out in this Debenture

(b) Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further Loans on the Charges Register of any registered land forming part of the Charged Assets

5 12 **Assigned 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 Assigned Loans, (b) any default of any of its obligations under any Inter-company Loan Agreement or in respect of any Assigned Loan, (c) any right to terminate any Inter-company Loan Agreement or any Assigned Loan becoming exercisable by any other party to that agreement, or (d) any counterclaims or rights of set-off arising under any Inter-company Loan Agreement or any Assigned Loan

(b) The Common Security Trustee shall not be under any obligation in relation to any Assigned Loan or any Inter-company Loan Agreement as a consequence of this Debenture and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Assigned Loans and each Inter-company Loan Agreement.

6 FURTHER ASSURANCE

6 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, enter into, execute and complete a Legal Charge over any Real Property in England and Wales not already the subject of a registrable Legal Charge and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Common Security Trustee may reasonably specify (and in such form as the Common Security Trustee may reasonably require) in favour of the Common Security Trustee or its nominee(s)

(i) to create, perfect and/or protect the Security created or intended to be created in respect of the Charged Assets (which may include the execution by each Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Assets) or for the exercise of any of the rights, powers and remedies of the Common Security Trustee provided by or pursuant to this Debenture and each Legal Charge or by law,

(ii) to confer on the Common Security Trustee Security over any asset or undertaking of each Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture and each Legal Charge to which it is a party, and/or

(iii) to facilitate the realisation of the Charged Assets

6.2 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 Trustee for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Common Security Trustee by or pursuant to this Debenture and each Legal Charge to which it is a party

7 SHARES AND MEMBERSHIP INTERESTS: VOTING RIGHTS AND DIVIDENDS

7 1 Exercise of Rights

(a) Prior to the occurrence of an Event of Default which is continuing, each Chargor shall be entitled to receive all dividends, interest and other moneys arising from the Relevant Shares (and, in the case of the LLP, distributions, profit and other moneys arising from membership interests)

(b) Following the occurrence of an Event of Default which is continuing, the Common Security Trustee 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 in accordance with Clause 12 (*Application of Moneys*)

(c) Prior to the occurrence of an Acceleration Event, each Chargor shall be entitled to exercise all voting rights in relation to the Relevant Shares (and, in the case of the LLP, membership interests)

(d) Subject to Clause 7 2 (*Waiver of Rights*), upon the occurrence of an Acceleration Event, the Common Security Trustee may (but without having any obligation to do so) give notice to the Chargors that this Clause 7 1(d) will apply With effect from the giving of that notice the Common Security Trustee may, at its discretion, (in the name of each Chargor or otherwise and without any further consent or authority from each Chargor),

(i) exercise (or refrain from exercising) all voting rights in respect of the Relevant Shares (and, in the case of the LLP, membership interests),

(ii) transfer the Relevant Shares (and, in the case of the LLP, membership interests) into the name of such nominee(s) of the Common Security Trustee as it shall require, and

(iii) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Relevant Shares (and, in the case of the LLP, membership interests) including the right, in relation to any company whose shares or other securities are included in the Relevant Shares (and, in the case of the LLP, membership interests), to concur or participate in

(A) the reconstruction, amalgamation, sale or other disposal of such company or the LLP or any of their assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),

(B) the release, modification or variation of any rights or liabilities attaching to such partnership interest, shares or securities, and

(C) the exercise, renunciation or assignment of any right to subscribe for any partnership interest, shares or securities,

in each case in the manner and on the terms the Common Security Trustee thinks fit, and the proceeds of any such action shall form part of the Charged Assets.

7 2 **Waiver of rights**

(a) The Common Security Trustee may, at any time in its absolute discretion and without any consent or authority from the Finance Parties or any Chargor, by notice to the relevant Chargor (which notice shall be irrevocable) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Relevant Shares (and, in the case of the LLP, membership interests) specified in that notice conferred or to be conferred on the Common Security Trustee pursuant to Clause 7 1(d) or any other provision of this Debenture

(b) Once a notice has been issued by the Common Security Trustee under paragraph (a) above, on and from the date of such notice the Common Security Trustee shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Relevant Shares (and, in the case of the LLP, membership interests) conferred or to be conferred on it pursuant to Clause 7 1(d) or any other provision of this Debenture and all such rights will be exercisable by the relevant Chargor subject only to the proviso contained in clause 7 4

7 3 **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 Trustee may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Common Security Trustee shall be reimbursed by each Chargor to the Common Security Trustee on demand

7 4 **Voting Rights**

Unless expressly permitted in the Senior Facility Agreement or Mezzanine Facility Agreement or unless it has the written consent of the Common Security Trustee, 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 (and, in the case of the LLP, membership interests) or other Investments in any manner, or otherwise permit or agree to any (i) variation of the rights attaching to or conferred by all or any part of the Relevant Shares (and, in the case of the LLP, membership interests), (ii) increase in the issued share capital of any company whose shares are charged pursuant to this Debenture (or an increase in the capital of the LLP), (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 (and, in the case of the LLP, membership interests), which in the opinion of the Common Security Trustee (acting reasonably) would prejudice the value of, or the ability of the Common Security Trustee to realise, the security created by this Debenture provided that the proceeds of any such action

shall form part of the Relevant Shares (and, in the case of the LLP, membership interests)

8 ENFORCEMENT OF SECURITY

8 1 Enforcement

Any time after the occurrence of

(a) an Event of Default (as long as it is continuing), or

(b) an Administration Event, or

(c) a request being made by any Chargor to the Common Security Trustee that it exercise any of its powers under this Debenture or any Legal Charge,

the Security created by or pursuant to this Debenture and each Legal Charge shall be immediately enforceable and the Common Security Trustee 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), other than the right to exercise or refrain from exercising voting rights in relation to the Shares which shall be exercisable in accordance with Clause 7 1 (*Exercise of Rights*)) and take possession of and hold or dispose of all or any part of the Charged Assets, and

(ii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture and each Legal Charge) on mortgagees and by this Debenture and each Legal Charge on any Receiver or otherwise conferred by law on mortgagees or Receivers.

8 2 Effect of Moratorium

The Common Security Trustee shall not be entitled to exercise its rights under Clause 8 1 (*Enforcement*) or Clause 4 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

9 EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

9 1 Extension of powers

The power of sale or other disposal conferred on the Common Security Trustee and on any Receiver by this Debenture and each Legal Charge 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 Obligations shall be deemed due and payable for that purpose) on execution of this Debenture or any Legal Charge

9 2 **Restrictions**

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or any Legal Charge or to the exercise by the Common Security Trustee of its right to consolidate all or any of the security created by or pursuant to this Debenture or any Legal Charge with any other security in existence at any time or to its power of sale, which powers may be exercised by the Common Security Trustee without notice to any Chargor on or at any time after this Debenture or any Legal Charge has become enforceable in accordance with Clause 8 (*Enforcement of security*)

9 3 **Power of leasing**

(a) The statutory powers of leasing may be exercised by the Common Security Trustee at any time on or after this Debenture or any Legal Charge has become enforceable in accordance with Clause 8 (*Enforcement of security*) and the Common Security Trustee 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 Trustee or as permitted pursuant to the terms of the Senior Facility Agreement and the Mezzanine Facility Agreement

9 4 **Right of appropriation**

To the extent that any of the Charged Assets constitute a "security financial collateral arrangement" (as defined in and for the purposes of the Financial Collateral Arrangements (No 2) Regulations 2003), at any time on or after the Security created by or pursuant to this Debenture and each Legal Charge becomes enforceable, the Common Security Trustee shall have the right to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Chargors For this purpose, a commercially reasonable method of valuing a Charged Asset shall be

(a) in the case of cash, the amount standing to the credit of each Control 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, shares or securities, their market value determined by the Common Security Trustee by reference to a public index,

independent valuation or by such other process as the Common Security Trustee may select.

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

10 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

10 1 Appointment and removal

After this Debenture and each Legal Charge becomes enforceable in accordance with Clause 8 (*Enforcement of security*), the Common Security Trustee may by deed or otherwise (acting through an authorised officer of the Common Security Trustee), without prior notice·

(a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets, or

(b) appoint two or more Receivers of separate parts of the Charged Assets, or

(c) remove (so far as it is lawfully able) any Receiver so appointed, or

(d) appoint another person(s) as an additional or replacement Receiver(s), or

(e) appoint one or more persons to be an administrator of any Chargor

10 2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 10 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 Trustee, and

(c) entitled to remuneration for his services at a rate to be fixed by the Common Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

10 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 Trustee under the Law of Property Act 1925 (as extended by this Debenture and each Legal Charge) or otherwise and such powers shall remain exercisable from time to time by the Common Security Trustee in respect of any part of the Charged Assets

11 POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Charged Assets (and any assets which would, when got in, be Charged Assets), and as varied and extended by the provisions of this Debenture and each Legal Charge (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 a 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 a 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 Trustee provided by or pursuant to this Debenture and each Legal Charge 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, Charged Assets

12 APPLICATION OF MONEYS

All moneys received or recovered by the Common Security Trustee or any Receiver pursuant to this Debenture or any Legal Charge 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 of the costs, charges and expenses incurred and payments made by the Receiver and the Common Security Trustee, the payment of his and its remuneration and the discharge of any liabilities incurred by the Receiver or the Common Security Trustee in, or incidental to, the exercise of any of his and its powers, and thereafter shall be applied by the Common Security Trustee (notwithstanding any purported appropriation by any Chargor) in accordance with the Intercreditor Agreement

13 PROTECTION OF PURCHASERS

13 1 Consideration

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

13 2 Protection of purchasers

No purchaser or other person dealing with the Common Security Trustee or any Receiver shall be bound to inquire whether the right of the Common Security Trustee or such Receiver 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 Trustee or such Receiver in such dealings

14 POWER OF ATTORNEY

14 1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Common Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to

(a) execute, deliver and perfect a Legal Charge over any Real Property not already the subject of a registrable Legal Charge, and

(b) execute, deliver and perfect all other 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 this Debenture, any Legal Charge or any other agreement binding on each Chargor to which the Common Security Trustee is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting and/or releasing the security created or intended to be created in respect of the Charged Assets), and

(ii) enabling the Common Security Trustee and any Receiver to exercise (subject to Clause 7 2 (*Waiver of rights*)), or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture, each Legal Charge or by law (including, after this Debenture or any Legal Charge has become enforceable in accordance with Clause 8 (*Enforcement of security*), the exercise of any right of a legal or beneficial owner of the Charged Assets)

14 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

15 EFFECTIVENESS OF SECURITY

15 1 Continuing security

(a) The Security created by or pursuant to this Debenture and each Legal Charge shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Common Security Trustee in writing

(b) No part of the Security from time to time intended to be constituted by this Debenture and each Legal Charge will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

15 2 Cumulative rights

The Security created by or pursuant to this Debenture and each Legal Charge shall be cumulative, in addition to and independent of every other Security which the Common Security Trustee or any Finance Party may at any time hold for the Secured Obligations 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 Trustee (whether in its capacity as trustee or otherwise) or any of the other Finance Parties over the whole or any part of the Charged Assets shall merge into the Security constituted by this Debenture and each Legal Charge

15 3 No prejudice

The Security created by or pursuant to this Debenture and each Legal Charge 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, or the Common Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Finance Parties or by any variation of the terms of the trust upon which the Common Security Trustee holds the security or by any other thing which might otherwise prejudice that Security

15 4 No liability

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

(a) to account as a mortgagee or mortgagee in possession, or

(b) for any loss arising by reason of taking any action permitted by this Debenture or any Legal Charge or any neglect or default in connection with the Charged Assets or taking possession of or realising all or any part of the Charged Assets,

except in the case of gross negligence or wilful default directly caused by it

15 5 **Partial invalidity**

If, at any time, any provision of this Debenture or any Legal Charge 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 Debenture and each Legal Charge 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 Debenture and each Legal Charge is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security

15 6 **Waiver of defences**

The obligations of, and the Security created by, each Chargor under this Debenture and each Legal Charge will not be affected by any act, omission, matter or thing which, but for this Clause 15 6, would reduce, release or prejudice any of its obligations under, or the Security created by, this Debenture and each Legal Charge and whether or not known to that Chargor or any Finance Party including

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

(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any 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 Obligor or other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any Security,

(d) any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of, any 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 Obligations (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 Obligations, and

(g) any insolvency or similar proceedings

15 7 **Immediate recourse**

Each Chargor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from any Chargor under this Debenture and each Legal Charge This waiver applies irrespective of any law or any provision of this Debenture or any Legal Charge to the contrary

15 8 **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 Debenture and each Legal Charge

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any guarantor of any Obligor's obligations under this Debenture or any Legal Charge,

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Finance Parties under this Debenture or any Legal Charge or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture or any Legal Charge by any Finance Party

(d) to bring legal or other proceedings for an order requiring any 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 Obligor, or

(f) to claim or prove as a creditor of any Obligor in competition with any Finance Party

15 9 **No Partnership or transfer of interests**

The Parties to this Debenture acknowledge and agree that

(a) the Chargors are not (either separately or jointly) in partnership with the Common Security Trustee or any of the Finance Parties or any Receiver or other person appointed for that purpose and that no provision of this Debenture shall be construed as creating such a partnership,

(b) no Finance Party or any Receiver or other person appointed for that purpose assumes, nor shall any Finance Party or any Receiver or other person appointed for that purpose be obliged to perform, any obligations of the Chargors and nothing in this Debenture shall be construed so as to transfer any such obligations to a Finance Party or any Receiver or other person appointed for that purpose, and

(c) the Common Security Trustee is not and no Finance Party shall be liable in any way to indemnify any Chargor or otherwise reimburse any Chargor in

respect of the Charged Assets or any Chargor's position as a member in the LLP

16 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 Charged Assets or in case of exercise by the Common Security Trustee or any Receiver of any power of sale under this Debenture and each Legal Charge, the Common Security Trustee may redeem such prior Security or procure the transfer thereof to itself

(b) The Common Security Trustee 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 Trustee 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 the Relevant 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)

17 SUBSEQUENT SECURITY INTERESTS

If the Common Security Trustee acting in its capacity as trustee or otherwise or any of the other Finance Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting the Charged Assets or any part of the Charged 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 Trustee or any of the other Finance Parties will (in the absence of any express contrary appropriation by that Chargor) be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received

18 SUSPENSE ACCOUNTS

All moneys received, recovered or realised by the Common Security Trustee under this Debenture and each Legal Charge (including the proceeds of any conversion of currency) may in the discretion of the Common Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution (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 Trustee's discretion, in or towards the discharge of any of the Secured Obligations

19 RELEASE OF SECURITY

Upon the expiry of the Security Period, the Common Security Trustee shall, at the request and cost of each Chargor, release and cancel the security constituted by this

Debenture and each Legal Charge and procure the reassignment to that Chargor of the property and assets assigned to the Common Security Trustee pursuant to this Debenture and each Legal Charge, in each case without recourse to, or any representation or warranty by, Common Security Trustee or any of its nominees

20 DISCRETION AND DELEGATION

20 1 Discretion

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

20 2 Delegation

Each of the Common Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Legal Charge 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 Trustee or the Receiver itself

21 GOVERNING LAW

This Debenture and each Legal Charge and all non-contractual obligations arising out of or in connection with it are governed by English law

22 SERVICE OF PROCESS

(a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales)

(i) irrevocably appoints the Process Agent as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture, and

(ii) agrees that failure by an agent for service of process to notify the relevant Chargor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as the Process Agent is unable for any reason to act as the Process Agent, the relevant Chargor must immediately (and in any event within 14 days of such event taking place) appoint another agent on terms acceptable to the Common Security Trustee Failing this, the Common Security Trustee may appoint another agent for this purpose

THIS DEBENTURE has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by Common Security Trustee on the date written on the first page of this Debenture

SCHEDULE 1
CHARGORS

Name	Jurisdiction	Company Number
The Berkeley Hotel Limited	England and Wales	3669260
Goldrange Properties Limited	England and Wales	5365104
Claridge's Hotel Holdings Limited	England and Wales	3669265
Claridge's Hotel Limited	England and Wales	00029022
The Connaught Hotel Limited	England and Wales	3669273
Connaught F&B Limited	England and Wales	6456183
Maybourne Hotels Limited	England and Wales	3669284
Brook Street 1 Limited	England and Wales	06516561
Brook Street 2 Limited	England and Wales	06516559
41-43 Brook Street LLP	England and Wales	OC335486
Bluedraft Limited	England and Wales	005518968
Westark Properties Limited	England and Wales	05112202
Shapeloose Limited	England and Wales	03521130
Raglan Real Estate Acquisition Company	England and Wales	03558968
Westone Hotel Acquisitions Company	England and Wales	03543429
MHG Senior Borrower Limited	England and Wales	08313665
MHG Senior Holdco Limited	England and Wales	08313647
Brook Street Trustee Co No 1 Limited	England and Wales	6526381
Brook Street Trustee Co No 2 Limited	England and Wales	6526384

SCHEDULE 2
MORTGAGED PROPERTY

None specified

SCHEDULE 3
RELEVANT SHARES

Shares to be charged:

Chargor	Company	Company Number	No. and class of Shares held
The Berkeley Hotel Limited	Goldrange Properties Limited	05365104	1 Ordinary £1 share
The Berkeley Hotel Limited	The Minema Limited	01015160	100 Ordinary £1 shares
The Berkeley Hotel Limited	The Berkeley Hotel Company (49907) Limited	00049907	60,000 Ordinary £1 shares, 30,000 First Preference £1 shares and 40,000 Second Preference £1 00 shares
Brook Street Trust	Brook Street Trustee Co Number 1 Limited	06526381	1 Ordinary £1 share
Brook Street Trust	Brook Street Trustee Co Number 2 Limited	06526384	1 Ordinary £1 share
Brook Street 2 Limited and Brook Street Trust	41-43 Brook Street LLP	OC335486	N/A
Claridge's Hotel Holdings Limited	Brook Street 1 Limited	06516561	1 Ordinary £1 share
Claridge's Hotel Holdings Limited	Brook Street 2 Limited	06516559	35,000,000 Ordinary £1 shares
Claridge's Hotel Holdings Limited	Claridge's Hotel Limited	0029022	28,615,873 Ordinary £0 10 shares
Claridge's Hotel Holdings Limited	A Goody Rewarded Limited	01271647	100 Ordinary £1 shares
Claridge's Hotel Holdings Limited	Claridge's Hotel (42000) Limited	00042000	15,000 Ordinary £10 shares
Claridge's Hotel Limited	Bluedraft Limited	05518968	1 Ordinary £1 share
The Connaught Hotel Limited	Connaught F&B Limited	06456183	1 Ordinary £1 share
The Connaught Hotel Limited	Mount Street Mansions Limited	00333420	610 Ordinary £1 shares
The Connaught Hotel Limited	The Connaught Hotel (52242) Limited	00052242	660,000 Preferred Ordinary £0 25 shares
Maybourne Hotels Limited	Motcomb Trust Limited	00298662	11,082 ordinary £1 shares

Chargor	Company	Company Number	No. and class of Shares held
Maybourne Hotels Limited	The Worcester Building Company Limited	00529760	270,000 Ordinary £1 shares and 350,000 6% Non-Cumulative Preference £1 shares
Maybourne Hotels Limited	Centralglen Limited	00686623	77,450 Ordinary £0 01 shares and 77,450 5% Non-Cumulative Preference £1 shares
Maybourne Hotels Limited	Speed 6060 Limited	00840174	17,329 Ordinary A £1 shares and 26,000 Ordinary B £1 shares
Maybourne Hotels Limited	The Orpheans Limited	00545022	100 Ordinary £1 shares
Maybourne Hotels Limited	Q&M Limited	00368879	54 Ordinary £1 shares
Maybourne Hotels Limited	Patrick Spitfire Limited	00598840	450 Ordinary A £1 shares and 8,050 Ordinary B £1 shares
Maybourne Hotels Limited	Project Castle Limited	01517581	200 Ordinary £1 shares
Maybourne Hotels Limited	Claridge's Hotel Laundry Limited	00350948	100 Ordinary £1 shares
Maybourne Hotels Limited	Stone's Chop House Limited	00420106	14,000 Ordinary £0 50 shares
Maybourne Hotels Limited	James Edward Limited	00270630	100 Ordinary £1 shares
Maybourne Hotels Limited	Beaufort Construction Limited	00456360	800 Ordinary £0 50 shares and 600 5% Non-Cumulative Preference £1 shares
Maybourne Hotels Limited	Only G Limited	00398439	36,000 Ordinary £1 shares and 30,000 Preference £1 shares
Maybourne Hotels Limited	BP&S (1906) Limited	00090365	7,007 Ordinary £1 shares, 1000 Preference £1 shares
Maybourne Hotels Limited	The Strand Power Company Limited	00378502	1,000 Ordinary £1 shares

Chargor	Company	Company Number	No. and class of Shares held
Maybourne Hotels Limited	Headfort Hotel Belgravia Limited	00655082	3 Ordinary £1 shares
MHG Senior Holdco Limited	MHG Senior Borrower Limited	08313665	1 Ordinary £1 share
MHG Senior Borrower Limited	Claridge's Hotel Holdings Limited	03669265	1,000,000 A Ordinary £0 10 shares and 500,000 B Ordinary £0 10 shares
MHG Senior Borrower Limited	The Berkeley Hotel Limited	03669260	1,000 000 A Ordinary £0 10 shares and 500,000 B Ordinary £0 10 shares
MHG Senior Borrower Limited	The Connaught Hotel Limited	03669273	1,000.000 A Ordinary £0 10 shares and 500,000 B Ordinary £0 10 shares
MHG Senior Borrower Limited	Maybourne Hotels Limited	03669284	1,000,000 A Ordinary £0 10 shares and 500,000 B Ordinary £0 10 shares
Westark Properties Limited	Shapeloose Limited	03521130	2 Ordinary £1 shares

SCHEDULE 4
ASSIGNMENT LEASES AND INSURANCE POLICIES

PART A
NOTICE OF ASSIGNMENT

To [Headlease holder/tenant/Insurer]

Date [ ]

Dear Sirs,

We give you notice that, by a Debenture dated [ ] (the "**Debenture**"), we charged by way of equitable assignment to Capita Trust Company Limited (the "**Common Security Trustee**") as trustee for the Finance Parties all our right, interests and benefits in, to and under [the [*describe Lease (date/term/parties/premises)*]] dated [ ] between [ ] relating to [ ] (including all moneys payable thereunder and the proceeds of all claims and judgments for breach of covenant) (the "**Lease**") [**OR** [the [*describe Insurance Policy*]] policy number effected by us or whomsoever 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 [Lease/Policy] and the Common Security Trustee is under no obligation of any kind whatsoever under the [Lease/Policy] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the [Lease/Policy]

We irrevocably instruct and authorise you to pay all payments under or arising under the [Lease/Policy] to our account called "[ ] - [Group Collection][1] Account", Account number [ ] sort code [ ] It is very important that you make all immediate arrangements for all sums payable by you under the [Lease/Policy] to be paid to this account

Please note that

1 all remedies provided for under the [Lease/Policy] or available at law or in equity are exercisable by the Common Security Trustee,

2 all rights to compel performance of the [Lease/Policy] are exercisable by the Common Security Trustee, and

3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the [Lease/Policy] belong to the Common Security Trustee

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 Trustee with a copy to us

Yours faithfully

---

[1] To be confirmed

[Chargor]

PART B
ACKNOWLEDGEMENT OF ASSIGNMENT

To Capita Trust Company Limited
4th Floor
40 Dukes Place
London
EC3A 7NH
FAO Manager, Corporate Trusts

as Common Security Trustee

Date [ ] [ ]

Dear Sirs

We confirm receipt from [Chargor Name] (the "**Chargor**") of a notice dated [ ] [ ] of a charge by way of equitable assignment upon the terms of a Debenture dated [ ] [ ] (the "**Debenture**") to Capita Trust Company Limited (the "**Common Security Trustee**") as trustee for the Finance Parties of all the Chargor's right, interest and benefit in, to and under the [Lease/Policy] (as specified in that notice) to which we are a party

We confirm that we have not received notice of

(a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice, or

(b) the interest of any third party in any of the rights, interests and benefits specified in such notice,

and will make all payments to the account specified in that notice

We further confirm that

1 no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the ,

2. no termination of such rights, interests or benefits will be effective unless we have given the Common Security Trustee 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination,

3 the Chargor will remain liable to perform all its obligations under the [Lease/Policy] and the Common Security Trustee 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 no breach or default on the part of the Chargor of any of the terms of such [Lease/Policy] will be deemed to have occurred unless we have given notice of such breach to the Common Security Trustee specifying how to make good such breach

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

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt

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 [Relevant Chargor]

SCHEDULE 5
CONTROL ACCOUNTS

PART A
NOTICE OF SECURITY TO ACCOUNT BANK

To [Account Bank/other financial institution]

Date [ ]

Dear Sirs

We give you notice that, by a Debenture dated [ ] (the "**Debenture**"), we charged by way of equitable assignment to Capita Trust Company Limited (the "**Common Security Trustee**") as trustee for the Finance Parties any accounts and all moneys (including interest) from time to time standing to the credit of those accounts with any bank, building society, financial institution or other person and the debt or debts represented thereby

The account[s] maintained with your [bank/building society/financial institution/other] [is/are]

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

We irrevocably instruct and authorise you to disclose to the Common Security Trustee 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 Trustee 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 Trustee with a copy to us

Yours faithfully

[Chargor Name]

PART B
ACKNOWLEDGEMENT OF SECURITY BY ACCOUNT BANK

To Capita Trust Company Limited

as Common Security Trustee

Date [ ]

Dear Sirs

We confirm receipt from Claridge's Hotel Limited (the "**Chargor**") of a notice dated [ ] of a charge by way of equitable assignment upon the terms of a Debenture dated [ ] (the "**Debenture**") of all moneys (including interest) from time to time standing to the credit of the Chargor's account[s] (as specified therein) (the "**Control Account[s]**") which [is/are] maintained with us and the debt or debts represented thereby

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

Account Name[s] [ ]

Sort Code[s] [ ]

Account No[s]. [ ]

We confirm that we have not received notice of the interest of any third party in [any of] the Control Account[s]

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

[Account Bank/other financial institution]

cc [Chargor]

SCHEDULE 6
FORM OF LEGAL CHARGE

CLIFFORD CHANCE

CLIFFORD CHANCE LLP

DATED [ ]

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

CAPITA TRUST COMPANY LIMITED
AS THE COMMON SECURITY TRUSTEE

LEGAL CHARGE
RELATING TO [*SPECIFY PROPERTIES*]

THIS CHARGE is made by way of deed on [ ] by

(1) **THE PERSONS** listed in Schedule 1 (*Chargors*) (each a "**Chargor**") in favour of

(1) **CAPITA TRUST COMPANY LIMITED** as trustee for each of the Finance Parties (the "**Common Security Trustee**")

THIS DEED WITNESSES as follows

1 **LEGAL CHARGE**

Each Chargor charges with full title guarantee in favour of the Common Security Trustee (as trustee for the Finance Parties), with the payment and discharge of the Secured Obligations, by way of first legal mortgage, the freehold and leasehold property specified against its name in Schedule 2 (*Mortgaged Property*) (the "**Mortgaged Property**")

2 **IMPLIED COVENANTS FOR TITLE**

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 Clause 1 (*Legal charge*)

It shall be implied in respect of Clause 1 (*Legal charge*) that each Chargor is disposing of the Mortgaged Property 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)

3 **APPLICATION TO THE LAND REGISTRY**

Each Chargor consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land forming part of the Mortgaged 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] "

4 **FURTHER LOANS**

Subject to the terms of the Facility, each Lender is under an obligation to make further Loans to each Chargor and that obligation will be deemed to be incorporated in this Legal Charge as if set out in this Legal Charge Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further Loans on the Charges Register relating to the Mortgaged Property.

5 **GOVERNING LAW**

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

THIS CHARGE has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by Common Security Trustee on the date written on the first page of this Legal Charge

SCHEDULE 1 TO LEGAL CHARGE
THE CHARGORS

[Name]	[Jurisdiction]	[Company Number]

SCHEDULE 2 TO LEGAL CHARGE
MORTGAGED PROPERTY

[Chargor Name]	[Property Description]	[Title Number]

EXECUTION PAGE TO LEGAL CHARGE

Chargors

EXECUTED AS A DEED by)
)
[CHARGOR]

Director
Name

Director/Secretary
Name

Common Security Trustee

Signed by)
CAPITA TRUST COMPANY LIMITED)
acting by its authorised attorney)_____
)Authorised Attorney

)
)

SCHEDULE 7
ASSIGNMENT: ASSIGNED LOANS

PART A
NOTICE OF ASSIGNMENT

To [ ]

Date [ ]

Dear Sirs,

1 We hereby give you notice that we have assigned to Capita Trust Company Limited (the "**Common Security Trustee**") pursuant to a debenture entered into by us in favour of the Common Security Trustee dated [ ] all our right, title and interest in and to all moneys payable by you to us under [*details of relevant inter-company loan agreement*] (the "**Inter-company Loan Agreement**").

2 We shall continue to be solely responsible for the performance of our obligations under or in connection with the Inter-company Loan 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 Inter-company Loan Agreement (the "**Payments**") shall be paid to, or at the direction of the Common Security Trustee, as it may specify in writing from time to time,

(b) all remedies provided for in the Inter-company Loan Agreement or available at law or in equity shall be exercisable by, or at the direction of, the Common Security Trustee, and

(c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Payments shall belong to the Common Security Trustee

4 You are authorised and instructed, without requiring further approval from us, to provide the Common Security Trustee with such information relating to the Inter-company Loan Agreement 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 Trustee as well as to us

5 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 Trustee

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

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

Yours faithfully,

For and on behalf of

[CHARGOR]

We confirm our agreement to the terms of this notice and instruct you, in accordance with Clause 3 of this notice, and with effect from the date of your receipt of this notice, that the Payments shall be made in accordance with the terms of the Intercreditor Agreement until you receive written notification from us to the contrary

For and on behalf of

Capita Trust Company Limited

By

Dated

PART B
ACKNOWLEDGEMENT OF ASSIGNMENT

[On copy only

To Capita Trust Company Limited as Common Security Trustee

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Payments and that we will comply with the terms of the notice from the Company

We further confirm that:

(a) we have not claimed or exercised, have no outstanding right to claim or exercise, and will not exercise, any right of set-off, counterclaim or other right relating to the Payments, and

(b) no amendment, waiver or release of any rights, interests and benefits in and to the Payments shall be effective without your prior written consent

We acknowledge receipt of instructions from you in connection with the assignment of the Inter-company Loan Agreement and confirm that we shall act in accordance with them until we receive written notification from you to the contrary

For and on behalf of [*relevant obligor*]

By . . ..

Dated . . .]

SCHEDULE 8
FORM OF NOTICE OF ASSIGNMENT OF LIMITED LIABILITY PARTNERSHIP INTEREST

To 41-43 Brook Street LLP (the "**LLP**")

Date [•]

Dear Sirs,

(a) We hereby give you notice that we have assigned (and to the extent not assigned we have charged by way of fixed charge) to [•] (the "**Common Security Trustee**") (as trustee for the Finance Parties) pursuant to an agreement entered into by us in favour of the Security Trustee dated [•] (the "**Assignment**") all our right, interests, shares and benefits in, to and under the capital and assets of the LLP (including all profits, distributions, dividends, interest and other payments relating to the LLP) (the "**Partnership Shares**")

(b) We will remain liable to perform all our obligations under the limited liability partnership agreement relating to the LLP dated 12 March 2008 made between Brook Street Trustee Co Number 1 Limited and Brook Street Trustee Co Number 2 Limited constituting the LLP as the same may be amended, restated, novated or supplemented from time to time (the "**Partnership Agreement**") and the Common Security Trustee is under no obligation of any kind whatsoever under the Partnership Agreement nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Partnership Agreement

We irrevocably instruct and authorise you to pay all payments relating to the Partnership Shares following receipt of notice from the Common Security Trustee of an Event of Default to the account of [•] called "[•]", Account number [•] sort code [•]

Please note that

(i) all remedies provided for under the Partnership Agreement or available at law or in equity are exercisable by the Common Security Trustee,

(ii) all rights to compel performance of the Partnership Agreement are exercisable by the Common Security Trustee, and

(iii) all rights, interests and benefits whatsoever accruing to or for the benefit of us arising in relation to the Partnership Shares belong to the Common Security Trustee

You are requested to acknowledge receipt hereof and to confirm by signing and returning to each of ourselves and the Common Security Trustee one of the acknowledgements on the enclosed duplicate copies of this Notice that, unless and until otherwise instructed by the Common Security Trustee in writing

(a) you will not consent to any person succeeding to our Partnership Share without the consent in writing of the Common Security Trustee,

(b) the Common Security Trustee shall be entitled to enforce its rights in respect of the Partnership Share and/or to sell or otherwise dispose of the Partnership Share in each case in accordance with the Assignment and you consent to any person as the Common Security Trustee may specify (but only in the circumstances of enforcement referred to above) becoming beneficially entitled to the Partnership Share and/or becoming a member of the LLP in respect of the Partnership Share and agree to do all things and execute all documentation necessary under English law (or any other applicable law) for the purpose of complying therewith in relation to any such person becoming so entitled and/or becoming a member of the LLP in respect of the Partnership Share,

(c) you will send to the Common Security Trustee, and not to us, the original of any certificate or other evidence of ownership of or entitlement to the Partnership Share,

(d) you will send to the Common Security Trustee promptly any information concerning us or the Partnership Share in your possession or control that the Common Security Trustee may request

The terms of the Assignment are those set out in the form which you have seen By your acknowledgement to the Common Security Trustee, you undertake to the Common Security Trustee not to act or permit (to the extent within your control) any other person to act inconsistently with its terms and, in particular but without limitation, you thereby acknowledge that

(a) neither the granting of the security under the assignment nor the Common Security Trustee taking any steps to enforce it does or shall make the Common Security Trustee a member in the LLP nor liable as such (unless the Common Security Trustee chooses to become a member pursuant to paragraph (b) above),

(b) we have undertaken that we shall not (except with the Common Security Trustee's prior written consent) sell, transfer, or otherwise dispose of the Partnership Share or any interest in it, nor grant or permit to arise or subsist any other mortgage, charge, pledge, lien or other security or encumbrance or adverse interest of any kind whatsoever (whether ranking in priority to, pari passu with or after the security created by the Assignment) in respect of the Partnership Share or any part of it,

(c) we shall not (except with the Common Security Trustee's prior written consent) cause or permit in respect of the Partnership Share any other act or omission whatsoever whereby the security created by the assignment may be in any way prejudicially affected In particular, we have undertaken that we shall not agree to any amendment or supplement to any documents constituting the LLP which would have the effect of reducing any amount to which we are entitled to receive from the LLP or deferring the due date for receipt of any such amount

We further confirm that we will not exercise any option that we may have to bring the partnership to an end for whatever reason if and when any of the Common Security Trustee's rights become enforceable

This letter and any 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

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

Yours faithfully

For and on behalf of

[Member]

By

Dated

With a copy to Capita Trust Company Limited as Common Security Trustee

Acknowledgement

To Capita Trust Company Limited as Common Security Trustee
4th Floor
40 Dukes Place
London
EC3A 7NH
FAO Manager, Corporate Trusts

Date [•]

Dear Sirs

We confirm receipt from [Enter Chargor Name] (the "**[Chargor]**") of a notice dated [•] of an assignment, and to the extent not assigned, a fixed charge upon the terms of an assignment dated [•] (the "**Assignment**") to [•] (the "**Common Security Trustee**") as trustee for the Finance Parties of all the Chargor's right, interest, shares and benefit in, to and under the capital and assets of 41-43 Brook Street LLP (the "**LLP**") (including all profits, distributions, dividends, interest and other payments relating to the LLP) (the "**Partnership Shares**") and that we agree to and accept the terms of that notice

We confirm that we have not received notice of

(c) any assignment or charge of or over any of the rights, interests and benefits specified in such notice, or

(d) the interest of any third party in any of the rights, interests and benefits specified in such notice,

and following receipt from the Common Security Trustee of an Event of Default we will make all payments to the account specified in that notice

We further confirm that

1 no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Common Security Trustee,

2 no termination of such rights, interests or benefits will be effective unless we have given the Common Security Trustee 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination,

3 the Chargor will remain liable to perform all its obligations under the Partnership Agreement (as defined in that notice) and the Security Trustee is under no obligation of any kind whatsoever under the Partnership Agreement nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Partnership Agreement, and

4 no breach or default on the part of the Chargor of any of the terms of such Partnership Agreement will be deemed to have occurred unless we have given notice of such breach to the Common Security Trustee specifying how to make good such breach

We confirm that following receipt of notice from the Common Security Trustee of an Event of Default we will make all necessary arrangements for all future payments payable in relation to the Partnership Shares to be made into the account specified in the notice

This letter and any 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

41-43 BROOK STREET LLP

cc [*Enter [Chargor] Name*]

EXECUTION PAGE TO DEBENTURE

Chargors

EXECUTED AS A DEED by)
STEPHEN ALDEN)
THE BERKELEY HOTEL LIMITED)
acting by a director
in the presence of:

Signature of witness
Name (in BLOCK CAPITALS). RACHEL O'CONNOR
Address:

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
STEPHEN ALDEN)
GOLDRANGE PROPERTIES LIMITED)
)
acting by a director
in the presence of:

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address·

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
CLARIDGE'S HOTEL HOLDINGS LIMITED)
)
acting by a director STEPHEN ALDEN
in the presence of·

Signature of witness
Name (in BLOCK CAPITALS): RACHEL O'CONNOR
Address

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
CLARIDGE'S HOTEL LIMITED)

acting by a director STEPHEN ALDEN
in the presence of

Signature of witness:
Name (in BLOCK CAPITALS). RACHEL O'CONNOR
Address:

DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 11
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
THE CONNAUGHT HOTEL LIMITED)
acting by a director STEPHEN ALDEN
in the presence of

Signature of witness:
Name (in BLOCK CAPITALS): RACHEL O'CONNOR
Address

DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 11
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
CONNAUGHT F&B LIMITED)
acting by a director STEPHEN ALDEN
in the presence of:

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address:

DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 11
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
MAYBOURNE HOTELS LIMITED)
acting by a director STEPHEN ALDEN
in the presence of

Signature of witness.
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address:

DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 11
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
BROOK STREET 1 LIMITED)
acting by a director STEPHEN ALDEN
in the presence of:

Signature of witness:
Name (in BLOCK CAPITALS). RACHEL O'CONNOR
Address.

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
BROOK STREET 2 LIMITED)
acting by a director STEPHEN ALDEN
in the presence of:

Signature of witness:
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
41-43 BROOK STREET LLP)
acting by a duly authorised) 'A' Board Representative
'A' Board Representative and)
'B' Board Representative)
) 'B' Board Representative

EXECUTED AS A DEED by)
)
BLUEDRAFT LIMITED)
acting by a director STEPHEN ALDEN
in the presence of:

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address.

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
WESTARK PROPERTIES LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of)

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
TEL 08700 111 111
FAX 020 7796 6666
DX 33866 FINSBURY SQUARE

EXECUTED AS A DEED by)
)
SHAPELOOSE LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of)

Signature of witness:
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address:

DLA PIPER
DLA PIPER UK LLP
3 NOBLE STREET
LONDON EC2V 7EE
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FAX 020 7796 6666
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EXECUTED AS A DEED by)
)
RAGLAN REAL ESTATE)
ACQUISITION COMPANY)
acting by a director STEPHEN ALDEN)
in the presence of

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address·

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EXECUTED AS A DEED by)
)
WESTONE HOTEL ACQUISITIONS COMPANY)
acting by a director STEPHEN ALDEN)
in the presence of)

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address:

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EXECUTED AS A DEED by)
)
MHG SENIOR BORROWER LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of:)
)

Signature of witness
Name (in BLOCK CAPITALS): RACHEL O'CONNOR
Address

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)
MHG SENIOR HOLDCO LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of)

Signature of witness
Name (in BLOCK CAPITALS) RACHEL O'CONNOR
Address

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EXECUTED AS A DEED by)
)
BROOK STREET TRUSTEE CO NO 1)
LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of.

Signature of witness
Name (in BLOCK CAPITALS): RACHEL O'CONNOR
Address:

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EXECUTED AS A DEED by)
)
BROOK STREET TRUSTEE CO NO 2)
LIMITED)
acting by a director STEPHEN ALDEN)
in the presence of.)

Signature of witness
Name (in BLOCK CAPITALS): RACHEL O'CONNOR
Address:

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DLA PIPER UK LLP
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TEL 08700 111 111
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DX 33866 FINSBURY SQUARE

Common Security Trustee

Signed by)
CAPITA TRUST COMPANY LIMITED)
acting by its authorised attorney)_____
)Authorised Attorney

)
)

EXECUTED AS A DEED by)
)
BROOK STREET TRUSTEE CO NO 1)
LIMITED)
acting by a director)
in the presence of

Signature of witness:
Name (in BLOCK CAPITALS)
Address

EXECUTED AS A DEED by)
)
BROOK STREET TRUSTEE CO NO 2)
LIMITED)
acting by a director)
in the presence of)

Signature of witness
Name (in BLOCK CAPITALS)
Address

Common Security Trustee

Signed by Helena Anne Jane Giles)
CAPITA TRUST COMPANY LIMITED)
acting by its authorised attorney)
)Authorised Attorney

)
)