



Registration of a Charge

Company name: **GEORGE HOLDINGS (UK) LIMITED**

Company number: **03781850**



X32L1LWO

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

Details of Charge

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

Charge code: **0378 1850 0004**

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

Brief description: **FIRST EQUITABLE MORTGAGE (AND TO THE EXTENT NOT VALIDLY AND EFFECTIVELY CHARGED BY WAY OF MORTGAGE), BY WAY OF FIRST FIXED CHARGE OVER ALL ITS RIGHTS, TITLE AND INTEREST IN THE SHARES IN LONDON PORTMAN HOTEL LIMITED AND THE DISTRIBUTION RIGHTS ACCRUING TO OR ON SUCH SHARES**

Contains fixed charge(s).

Notification of addition to or amendment of charge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

SUSANNAH GATE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3781850

Charge code: 0378 1850 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th February 2014 and created by GEORGE HOLDINGS (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th February 2014 .

Given at Companies House, Cardiff on 28th February 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



EVERSHEDS

Dated 25 february

2014

- (1) GEORGE HOLDINGS (UK) LIMITED
- (2) SANTANDER UK PLC AS COMMON SECURITY TRUSTEE

Legal charge over shares

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

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This deed is made on **25 february** 2014 between:

- (1) **GEORGE HOLDINGS (UK) LIMITED** a company incorporated in England and Wales with company number 03781850 (the "**Chargor**"); and
- (2) **SANTANDER UK PLC** in its capacity as "**Common Security Trustee**" on behalf of the Secured Parties in accordance with Clause 18 of the Intercreditor Deed (defined below);

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

1.1 **Terms defined in Facility Agreements**

Except where this deed expressly states otherwise:

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

1.2 **Terms expressly defined in this deed**

In this deed:

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

"**Company**" means the company specified in **Schedule 1 (Shares)**.

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

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

"**Distribution Rights**" means:

- (a) all dividends, distributions, interest and other income paid or payable on any Share;
- (b) all shares or other property derived from any Share (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise); and
- (c) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to any Share.

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

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

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

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

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

"Insolvency Act" means the Insolvency Act 1986.

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

"Interest" means interest at the rate provided in and calculated and compounded in accordance with the Senior Facility Agreement both before and after judgement.

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

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

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

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

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

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

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

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

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

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

"LPA" means Law of Property Act 1925.

"Party" means a party to this deed.

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

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

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

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

"Secured Property" means the assets charged at **clause 4 (Charging clause)** and includes any part or parts of them.

"Security" means a mortgage, bond, charge, pledge, lien, standard security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

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

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

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

"Senior Facility Agreement" means a senior facility agreement made on or about the date of this deed between, amongst others, the LR (York) Limited and London Portman Hotel Limited as borrowers and Santander UK plc as Original Lender and the Senior Agent.

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

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

"Shares" means all shares (if any) specified in **Schedule 1 (Shares)**, and also all other stocks, shares, debentures, bonds, warrants, coupons or other securities now or in the future owned by the Chargor in the Company from time to time or any stocks, shares, debentures, bonds, warrants, coupons or other securities issued by the Company in which it has an interest.

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

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

1.3 Construction

In this deed:

1.3.1 any reference to:

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

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

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

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

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

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

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

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

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

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

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

1.4 **Third Party Rights**

- 1.4.1 A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this deed except to the extent that this deed or any other Finance Document expressly provides for it to do so.
- 1.4.2 No consent of any person who is not a Party is required to rescind or vary this deed at any time.
- 1.4.3 This **clause 1.4** does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act.

1.5 **Incorporation of other terms**

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

- 1.5.1 until the Senior Discharge Date, the provisions of clauses 10.3 (*Default Interest*), 33.8 (*Currency of Account*), 33.9 (*Change of Currency*), 35.1 (*Notices in Writing*), 35.3 (*Delivery*), 35.5 (*Electronic communication*), 35.6 (*English Language*), 39 (*Amendments and waivers*) and 41 (*Counterparts*) of the Senior Facility Agreement shall apply (mutatis mutandis) to this Deed as if set out in this deed in full and as if any reference in any such clause to "this Agreement" were a reference to "this Deed"; and
- 1.5.2 after the Senior Discharge Date, the provisions of clauses 10.3 (*Default Interest*), 32.8 (*Currency of Account*), 32.9 (*Change of Currency*), 34.1 (*Communications in Writing*), 34.3 (*Delivery*), 34.5 (*Electronic Communication*), 34.6 (*English Language*), 38 (*Amendments and Waivers*) and 40 (*Counterparts*) of the Junior Facility Agreement shall apply (mutatis mutandis) to this Deed as if set out in this deed in full and as if any reference in any such clause to "this Agreement" were a reference to "this Deed".

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

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

3. **LIMITED RECOURSE**

3.1 Notwithstanding any other provision of this deed:

- 3.1.1 the total amount recoverable from the Chargor under this deed shall be limited to, and the Common Security Trustee may not recover from the Chargor any amount in respect of this deed or the Secured Obligations except from the net proceeds, if any, realised by the Common Security Trustee from the enforcement of the Security created by this deed (such proceeds being the **Proceeds**);
- 3.1.2 if the Proceeds are insufficient, whether partly or fully, to discharge all amounts owing under this deed and the Secured Obligations which, but for this **clause 3** (*Limited Recourse*), would at any time be due under or pursuant to this deed, then the covenant to pay given by the Chargor under **clause 2** (*Covenant to pay*) in respect of the Secured Obligations as remain outstanding after application of the Proceeds shall be extinguished and released, and the Common Security Trustee shall have no further right, claim or recourse against the Chargor or any of its assets in respect of those Secured Obligations or otherwise under this deed; and
- 3.1.3 if at any time the Shares are transferred absolutely into the name of the Common Security Trustee pursuant to this deed, all obligations and Secured Obligations of the Chargor which, but for this **clause 3** (*Limited Recourse*), would at any time be due under or pursuant to this deed, shall be extinguished and released and:

3.1.3.1 the Common Security Trustee shall have no further right, claim or recourse against the Chargor or any of the Chargor's assets in respect of those obligations and liabilities;

3.1.3.2 the Chargor shall have no right, claim or recourse (in equity or at law or otherwise) to such Shares nor any right, claim or recourse (in equity or at law) to compel or require the re-transfer of such Shares (or any interest in such Shares) to it.

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

4.1 **Grant of security**

The Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations, charges and agrees to charge in favour of the Common Security Trustee:

4.1.1 by way of first equitable mortgage, all its right, title and interest in the Shares and the Distribution Rights from time to time accruing to or on the Shares; and

4.1.2 to the extent not validly and effectively charged by way of mortgage pursuant to **clause** 4.1.1, by way of first fixed, charge all its rights, title and interest in the Shares and the Distribution Rights from time to time accruing to or on the Shares.

4.2 **Full title guarantee and implied covenants**

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

4.3 **Release**

On the Discharge Date the Common Security Trustee will, at the request and cost of the Chargor, release the Secured Property from the security constituted by this deed and re-assign the Secured Property to the Chargor.

5. **DEPOSIT OF CERTIFICATES AND TRANSFERS**{ TC "5 DEPOSIT OF CERTIFICATES AND TRANSFERS" \1 }

5.1 The Chargor must:

5.1.1 promptly deposit with the Common Security Trustee on the date of this deed (or, in relation to any Secured Property acquired by it, or in which it has acquired an interest, after the date of this deed, on the date that it beneficially acquires such Secured Property or interest) all share certificates or other documents of title or evidence of ownership in relation to any Share or to the Distribution Rights; and

5.1.2 at the same time that it deposits the certificates or documents referred to in **clause** 5.1.1, deliver to the Common Security Trustee instruments of transfer in respect of the relevant Shares executed in blank (except for the number and class of Shares and the name of the transferor) and left undated.

5.2 The Common Security Trustee may retain any certificates, documents or instruments of transfer delivered to it pursuant to this deed until the Discharge Date and if, for any reason it ceases to hold any such certificate, document or instrument before such time, it may by notice to the Chargor require that the relevant certificate, document or instrument be redelivered to it and the Chargor must immediately comply (or procure compliance) with such notice.

5.3 The Common Security Trustee may at any time following the occurrence of an Event of Default which is continuing complete the instruments of transfer on behalf of such Chargor in favour of itself or such other person as it shall select, and such Chargor shall procure that such instruments of transfer are forthwith registered in the relevant company and that share certificates in the name of the Common Security Trustee and/or its nominee(s) in respect of the Shares to which such instrument of transfer relates are delivered to the Common Security Trustee as soon as reasonably practicable, but in any event no later than 5 days after the date upon which the Common Security Trustee has delivered the relevant instrument of transfer. The Common Security Trustee or its nominee, having been registered as the transferee of such Shares, may at any time thereafter re-transfer such Shares to the Chargor, and the Chargor shall procure that the relevant instrument of transfer is forthwith registered in the relevant company and that the share certificate(s) in the name of the Chargor together with a further instrument of transfer executed in accordance with **clause 5.1.2** relating to such Shares, are forthwith delivered to the Common Security Trustee.

6. **NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**{ TC "6
NEGATIVE PLEDGE AND DISPOSAL
RESTRICTIONS" \ 1 }

6.1 **Negative pledge**

The Chargor is not to create, extend or permit to subsist any security over any of the Secured Property.

6.2 **Restrictions on disposals**

The Chargor is not to sell, transfer or otherwise dispose of its interest (whether legal or beneficial) in the Secured Property.

6.3 **Exceptions**

Clauses 6.1 (*Negative pledge*) and **6.2** (*Restrictions on disposals*) do not apply:

6.3.1 to the security created or required to be created by this deed;

6.3.2 to any security or transaction to which the Common Security Trustee has given its written consent; or

6.3.3 to any other security or transaction which is permitted pursuant to the terms of the Facility Agreement.

7. **REPRESENTATIONS AND WARRANTIES**{ TC "7
REPRESENTATIONS AND WARRANTIES" \ 1
}

Each of the representations and warranties set out in Clause 7.1 to 7.7 below is given by the Chargor and shall be deemed to be repeated on each day during the Security Period on which the Repeating Representations set out in clause 20

(Representations) of the Senior Facility Agreement and clause 20 (Representations) of the Junior Facility Agreement are, or are deemed to be, made or repeated.

7.1 Status

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

7.2 Power and enforceability

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

7.3 No other security

no person who holds any other security over the Secured Property has enforced or given notice of its intention to enforce such security;

7.4 Non-conflict with other obligations

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

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

7.5 Authorisations

all Authorisations required or desirable for the execution, delivery, issue, validity or enforceability of this deed or of the performance of the Chargor's obligations or the exercise of its rights under this deed have been obtained and have not been (and the Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn;

7.6 Priority of security

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

7.7 Matters relating to the Shares

- 7.7.1 the Shares specified in **Schedule 1 (Shares)** are at the date of this deed the only Shares legally and beneficially owned by it in the Company;

- 7.7.2 it is and will remain the sole beneficial owner of the Secured Property and (save where the Shares have been registered in the name of the Common Security Trustee or its nominee pursuant to the provisions of this deed) it and/or its nominee is and will remain the absolute legal owner of the Shares subject to the provisions of this deed;
- 7.7.3 the Shares are fully paid and none of the Secured Property is subject to any lien, charge, equity, encumbrance, option to purchase or similar rights of any person other than the Common Security Trustee;
- 7.7.4 the Common Security Trustee is entitled to be registered or to require a nominee to be registered as member of each of the relevant companies to which the Shares relate without any right of the board of directors of any such company to refuse registration or to consent to such registration only subject to satisfaction of conditions; and
- 7.7.5 it has not nominated another person or persons to enjoy or exercise all or any of its rights as the registered holder of the Shares.

8. **UNDERTAKINGS{ TC "8 UNDERTAKINGS" \ 1 }**

The Chargor undertakes to the Common Security Trustee in the terms of the following provisions of this **clause 8**, all such undertakings to commence on the date of this deed and to continue throughout the Security Period:

8.1 **Matters relating to Shares**

- 8.1.1 It will promptly upon receipt of the same deliver to the Common Security Trustee copies of all notices, circulars, letters, reports accounts and other communications with shareholders relating to its holding of the Shares;
- 8.1.2 it will pay all calls or other payments due and payable in respect of any of the Secured Property;
- 8.1.3 save with the prior written consent of the Common Security Trustee it will not:
 - 8.1.3.1 take any action whereby or as a consequence whereof the rights attaching to the Shares are altered or diluted or the issued capital of any of the companies whose Shares are charged by this deed increased;
 - 8.1.3.2 participate in any rights issue relating to the Shares;
 - 8.1.3.3 apply for, or consent to, the conversion of any Shares held in certificated form into uncertificated form; or
 - 8.1.3.4 nominate another person or persons to enjoy or exercise all or any of its rights as the registered holder of the Shares.

8.2 **Not to jeopardise security**

it will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Common Security

Trustee of the security constituted by this deed or the priority of its ranking as expressed in this deed;

8.3 Further assurance

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

8.4 Power to remedy

If the Chargor fails to comply with any of the covenants and undertakings set out or referred to in **clauses 8.1 to 8.3** inclusive it will allow (and hereby irrevocably authorises) the Common Security Trustee and/or any other Enforcement Party to take such action (including the making of payments) on behalf of the Chargor as is necessary to ensure that such covenants are complied with; and

9. DIVIDENDS AND VOTING RIGHTS{ TC "9 DIVIDENDS AND VOTING RIGHTS" \ 1 }

9.1 Until the occurrence of an Default but not thereafter while such Default is continuing, the Chargor:

- 9.1.1 will be entitled to receive and retain all dividends, distributions, interest and other monies paid on or derived from the Shares;
- 9.1.2 will be entitled to exercise all voting and other rights and powers attaching to the Shares, provided that it will not exercise any such voting rights or powers in a manner which would prejudice the value of, or the ability of the Common Security Trustee to realise the security created by this deed; and
- 9.1.3 shall give to the Common Security Trustee reasonable notice of the manner in which it proposes to exercise the rights and powers referred to in **clause 9.1.2**.

9.2

- 9.2.1 At any time when any Shares are registered in the name of the Common Security Trustee or its nominee, and for such period as there is no Event of Default which is continuing, the Common Security Trustee will (so far as is consistent with the security created by this deed) exercise any applicable voting or other rights and powers in accordance with the directions of the Chargor, but upon the occurrence of an Event of Default and so long as it is continuing the Common

Security Trustee may exercise or refrain from exercising such voting or other rights and powers as it thinks fit.

9.2.2 At any time when any Shares are registered in the name of the Common Security Trustee or its nominee, and for such period as there is no Default which is continuing, the Common Security Trustee will account to the Chargor for any dividends, payments or other distributions attributable to such Shares, but upon the occurrence of a Default and so long as it is continuing the Common Security Trustee may retain any such dividends, payments or other distributions, but in any case the Common Security Trustee will not be under any duty to ensure that any dividend, distributions or other monies payable in respect of those Shares are duly and promptly paid or received by it or its nominee or to verify that the correct amounts are paid or received by it or its nominee or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Shares.

9.3 After the occurrence of a Default (or where a Default results from the payment of any Distribution Right), and while such Default is continuing, and in the event that any Shares are registered in the name of the Chargor or its nominee, the Chargor shall and shall procure that its nominee shall hold in trust for and promptly pay or deliver to the Common Security Trustee any Distribution Rights received by it.

9.4 After the occurrence of an Event of Default, and while such Event of Default is continuing, and in the event that any Shares are registered in the name of the Chargor or its nominee, the Chargor shall and shall procure that its nominee shall comply with the directions of any Enforcement Party in respect of the exercise of the voting and other rights and powers attaching to the Shares and shall deliver to such Enforcement Party as directed such forms of proxy or other Authorisation as may be appropriate to allow any Enforcement Party to exercise such rights and powers.

10. **ENFORCEABILITY** { TC "10 ENFORCEABILITY " \ 1 }

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

11. **ENFORCEMENT OF SECURITY**{ TC "11 ENFORCEMENT OF SECURITY" \ 1 }

11.1 At any time after the Common Security Trustee's power of sale has become exercisable, the Common Security Trustee may appoint one or more than one

Receiver in respect of the Secured Property and if more than one Receiver is appointed the Receiver may act jointly and severally or individually.

- 11.2 The Common Security Trustee may remove the Receiver and appoint another Receiver and the Common Security Trustee may also appoint an alternative or additional Receiver.
- 11.3 The Receiver will, so far as the law permits, be the agent of the Chargor and the Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Common Security Trustee will not be responsible for any misconduct, negligence or default of the Receiver.
- 11.4 The powers of the Receiver will continue in full force and effect following the liquidation of the Chargor.
- 11.5 The remuneration of the Receiver may be fixed by the Common Security Trustee but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Obligations.
- 11.6 The Receiver will have the power on behalf and at the cost of the Chargor:
 - 11.6.1 to do or omit to do anything which he considers appropriate in relation to the Secured Property; and
 - 11.6.2 to exercise all or any of the powers conferred on the Receiver or the Common Security Trustee under this deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision).
- 11.7 Without prejudice to the general powers set out in **clause 11.6** a Receiver will also have the powers and discretions set out in **Schedule 2** (*Receiver's specific powers*).
- 11.8 If (notwithstanding any representation or warranty to the contrary contained in this deed) there shall be any security affecting the Secured Property which ranks in priority to the security created by this deed and the holder of such prior security takes any steps to enforce such security, the Common Security Trustee or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such security.
- 11.9 The Common Security Trustee may, at any time after this deed has become enforceable pursuant to **clause 10** (*Enforceability*), exercise, to the fullest extent permitted by law, all or any of the powers authorities and discretions conferred on a Receiver by this deed, whether as attorney of the Chargor or otherwise and whether or not a Receiver has been appointed.
- 11.10 The Common Security Trustee may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this deed.

12. **APPLICATION OF PROCEEDS{ TC "12**
APPLICATION OF PROCEEDS" \ 1 }

12.1 **Recoveries by Receiver**

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

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

12.2 **Right of appropriation**

To the extent that any of the Secured Property constitute 'financial collateral' and this deed and the obligations of the Chargor under it constitute a 'financial collateral arrangements' (in each case as defined in, and for the purposes of, the Regulations), the Common Security Trustee shall have the right to appropriate all or any part of it in or towards discharge of the Secured Obligations and transfer title in and to it to the Common Security Trustee. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- 12.2.1 in the case of cash, the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- 12.2.2 in the case of any Shares, the market price determinate by the Common Security Trustee by reference to a public index or by such other process as the Common Security Trustee may select, including independent valuation.

In each case, the Parties agree that the method of valuation provided for in this deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

12.3 **Suspense Account**

The Common Security Trustee may place (for such time as it thinks prudent) any money received by it pursuant to this deed to the credit of a suspense account (without liability to account for interest thereon) for so long and in such manner as the Common Security Trustee may from time to time determine without

having any obligation to apply that money or any part of it in or towards discharge of the Secured Obligations.

13. **PROTECTION OF THIRD PARTIES{ TC "13
PROTECTION OF THIRD PARTIES" \1 }**

13.1 **No duty to enquire**

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

13.2 **Receipt conclusive**

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

14. **PROTECTION OF COMMON SECURITY TRUSTEE{ TC "14
PROTECTION OF COMMON SECURITY
TRUSTEE" \1 }**

14.1 **Common Security Trustee's receipts**

The Common Security Trustee's obligation to account (whether to the Chargor or to any other person) shall be limited to the Common Security Trustee's own actual receipts which the Common Security Trustee must distribute or pay to the person entitled (or who the Common Security Trustee, acting reasonably, believes to be entitled) in accordance with the requirements of this deed.

14.2 **Exclusion of liability**

14.2.1 No Enforcement Party will be liable to the Chargor for any expense, loss liability or damage incurred by the Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers except any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.

14.2.2 The Chargor may not take any proceedings against any officer, employee or agent of the Common Security Trustee in respect of any claim it might have against the Common Security Trustee or in respect of any act or omission of any kind by that officer, employee or agent in relation to this deed. Any officer, employee or agent of the Common Security Trustee may rely on this **clause 14** under the Third Parties Act.

14.3 **Effect of possession**

If the Common Security Trustee or any Receiver registers itself or any nominee as the holder of the Shares or otherwise enters into possession of the Secured Property this will not oblige either the Common Security Trustee or the Receiver to account as mortgagee in possession.

14.4 **Immediate recourse** – It shall not be necessary for the Common Security Trustee before taking any enforcement under this deed to enforce or seek to

enforce any guarantee or other security or other rights whether from or against the Chargor or any other person.

15. **POWER OF ATTORNEY**{ TC "15 POWER OF ATTORNEY" \ 1 }

15.1 **Grant of power**

As security for the performance of the obligations of the Chargor under this deed, the Chargor irrevocably appoints the Common Security Trustee, each Receiver and any person nominated by the Common Security Trustee or the Receiver (in writing, under hand, signed by an officer of the Common Security Trustee or by the Receiver) severally to be the attorney of the Chargor, with full power of substitution and delegation, for the purposes set out in **clause 15.2**.

15.2 **Extent of power**

The power of attorney granted in **clause 15.1** allows the Common Security Trustee, the Receiver or the relevant nominee in the name of the Chargor and on its behalf and at its expense:

15.2.1 to perfect the security given by the Chargor under this deed; and

15.2.2 to sign, execute and deliver any document or do any act or thing that the Chargor may, ought or has agreed to execute or do under this deed or which the Common Security Trustee, the Receiver or the relevant nominee may in their absolute discretion consider appropriate in connection with the exercise of any of the rights, powers, authorities or discretions of the Common Security Trustee or the Receiver under or otherwise for the purposes of this deed.

15.3 **Ratification**

The Chargor covenants with the Common Security Trustee to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this **clause 15**.

16. **APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS**{ TC "16 APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS" \ 1 }

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

16.1.1 For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of **clause 10 (Enforceability)**), the conditions set out in that section as to when such powers arise do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this deed.

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

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

16.2.1 The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Common Security

Trustee in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this deed.

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

16.3 Consolidation of mortgages

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

16.4 LPA provisions relating to appointment of Receiver

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

16.5 Application of proceeds

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

**17. OTHER MISCELLANEOUS PROVISIONS{ TC "17
OTHER MISCELLANEOUS PROVISIONS" \ 1
}**

17.1 Powers, rights and remedies cumulative

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

17.2 Exercise of powers, rights and remedies

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

17.3 Discretion

17.3.1 The Common Security Trustee may decide:

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

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

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

- 17.3.2 No provision of this deed will interfere with the Common Security Trustee's right to arrange its affairs as it may decide (or oblige it to disclose any information relating to its affairs), except as expressly stated.

17.4 Power to open new account

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

17.5 Other security

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

17.6 No assignment by Chargor

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

17.7 Transfer by Common Security Trustee

- 17.7.1 The Common Security Trustee may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this deed in accordance with the terms of the Intercreditor Deed.

- 17.7.2 The Common Security Trustee may disclose any information about the Chargor, the Secured Property and/or this deed to any person to whom it proposes to assign or novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this deed; or with whom it proposes to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests.

- 17.7.3 Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this deed in the same way as if it had been a Party.

17.8 Avoidance of settlements and other matters

- 17.8.1 Any payment made by the Chargor, or settlement or discharge between the Chargor and the Common Security Trustee, is conditional upon no security or payment to the Common Security Trustee by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Common Security Trustee's other rights under this deed) the Common Security Trustee shall be entitled to recover from the Chargor the value which

the Common Security Trustee has placed upon such security or the amount of any such payment as if such payment, settlement or discharge had not occurred.

- 17.8.2 If the Common Security Trustee, acting reasonably, considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in **clause 17.8.1**, then for the purposes of this deed such amount shall not be considered to have been irrevocably paid.

17.9 Waiver of defences

The obligations of the Chargor under Clause 2 (*Covenant to pay*) are unconditional and neither the provisions of this deed nor the obligations of the Chargor will be affected by the occurrence or existence at any time of any of the following events or circumstances or by any person's knowledge or lack of knowledge as to any such matter: (a) any person's insolvency or lack of capacity, power or authority; (b) any unenforceability, illegality or invalidity of any obligation of any person; (c) any change in the constitution, membership, ownership, legal form, name or status of any person; (d) the making, amendment or termination of any other deed or agreement; (e) any amendment, novation, re-statement or substitution of, or any supplement to, any other deed or agreement; (f) any increase or reduction in the amount of any person's indebtedness or any alteration of any term, condition or arrangement in respect of any person's indebtedness; (g) any person taking or omitting to take any steps in relation to (i) the Chargor or any other person, (ii) any of the Secured Obligations, (iii) any Security, guarantee or other financial support in respect of any indebtedness and/or (iv) any other asset; or (h) anything else which, although it could affect the liability of a surety, would not affect the liability of a principal debtor.

17.10 Immediate recourse

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

17.11 Non-competition

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

17.11.1.1 to be indemnified by any other person;

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

17.11.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any

other guarantee or Security taken pursuant to, or in connection with, any Finance Document by any Finance Party;

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

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

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

17.12 If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by it under or in connection with this deed to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Common Security Trustee or as the Common Security Trustee may direct for application in accordance with Clause 12 (Application of proceeds).

17.13 Communications

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

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

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

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

18. **GOVERNING LAW AND JURISDICTION**{ TC "18
GOVERNING LAW AND JURISDICTION" \ 1
}

18.1 Governing law

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

18.2 Jurisdiction

18.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute

regarding the existence, validity or termination of this deed) and any non-contractual obligations arising out of or in connection with it (a "Dispute"). Each Party agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly neither Party will argue to the contrary. This **clause 18.2.1** is for the benefit of the Enforcement Parties only. As a result no Enforcement Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, each Enforcement Party may take concurrent proceedings in any number of jurisdictions.

19. **THIS DEED { TC "19 THIS DEED" \ 1 }**

19.1 **Consideration**

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

19.2 **Execution of this deed - formalities**

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

19.3 **Conflict**

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

19.4 **Partial invalidity**

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

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

19.5 **Other security**

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

19.6 **Ownership of this deed**

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

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

11 SCHEDULE 1{ TC SCHEDULES \L 4 \N }

The Shares{ TC "1

The Shares" \I 3 }

Name of company in which Shares are held	Jurisdiction of registration and company number	Number and class of Shares (and where held by nominees names of nominees)
London Portman Hotel Limited	England and Wales 00932874	640,064 Ordinary Shares of £1

22 SCHEDULE 2

Receiver's specific powers{ TC "2

Receiver's specific powers" \1 3 }

The Receiver will have full power and authority:

1. POSSESSION

- 1.1 to enter upon, take possession of and generally operate and manage the Secured Property;
- 1.2 to collect and get in all the Distribution Rights;

2. SALE AND DISPOSAL

without restriction, to sell, charge, grant or vary the terms or accept surrenders of options or rights over, or otherwise deal with and dispose of the Secured Property or any assets acquired in the exercise of its powers under this deed;

3. ACQUISITION

to purchase or acquire any assets or rights required or convenient for the exercise of the Receiver's powers under this deed;

4. BORROWING

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

5. APPOINTMENTS, ETC.

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

6. LEGAL ACTIONS AND COMPROMISES

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

7. **RECEIPTS**

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

8. **CONTRACTS**

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

9. **INSURANCES AND BONDS**

to insure the Secured Property, any assets acquired by him in the exercise of his powers, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as he thinks fit, and obtain bonds and give indemnities and security to any bondsmen;

10. **FORM COMPANY**

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

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

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

11. **VOTING RIGHTS**

to exercise all voting and other rights attaching to the Shares and all other stocks, shares and securities owned by the Chargor and comprised in the Secured Property in such manner as he may think fit;

12. **TRANSACTION**

to carry into effect and complete any transaction;

13. **REDEEM SECURITY**

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

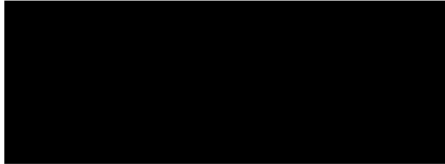
14. **GENERAL**

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

EXECUTION

The Chargor

Signed as a deed by Leonard Sebastian as
attorney for
GEORGE HOLDINGS (UK) LIMITED



in the presence of:

Witness Signature:



Witness Name:

Jackeline Davis

Witness Address:



Witness Occupation:



Communications to be delivered to:

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

Attention: Leonard Sebastian

The Common Security Trustee

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

_____ as attorney for **SANTANDER UK PLC**

Witness signature:

Witness Name:

Witness Address:

Witness Occupation:

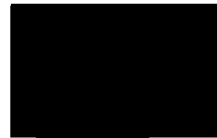
Communications to be delivered to:

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

Attention: Head of Hotels, Healthcare and
Leisure Financing

The Common Security Trustee

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



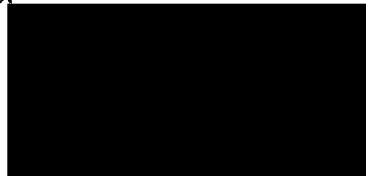
as attorney for **SANTANDER UK PLC**

Witness signature

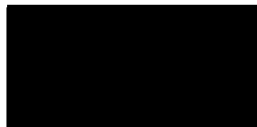


Witness Name: *NATALIE THORN*

Witness Address:



Witness Occupation:



Communications to be delivered to:

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

Attention: Head of Hotels, Healthcare and
Leisure Financing

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