

Particulars of a mortgage or charge

395

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

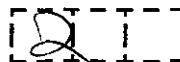


Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



4357078

Name of company

* Holiday Hotels Limited (the "Chargor")

Date of creation of the charge

21 November 2002

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture dated 21 November 2002 made between the Chargor in favour of The Governor and Company of the Bank of Scotland ("BoS") (the "Debenture")

Amount secured by the mortgage or charge

See Part II of the attached schedule

Names and addresses of the mortgagees or persons entitled to the charge

The Governor and Company of the Bank of Scotland
PO Box 39900
7th Floor, 155 Bishopsgate, Bishopsgate Exchange
London

Postcode EC2M 3YB

Presentor's name address and reference (if any):

Lovells
Atlantic House
Holborn Viaduct
London
EC1A 2FG

A6/TSKMLT/1101586.1

Time critical reference

For official Use
Mortgage Section

Post room



LD6
COMPANIES HOUSE

0353
29/11/02

See Part III of the attached schedule

Part IV of the attached schedule refers to covenants by, and restrictions on, the Chargor which protect and further define the charges created by the Debenture and which must be read as part of the charges created.

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

Not applicable

Signed *Lovells*

Date *28.11.02*

relator

On behalf of ~~[company]~~ [mortgagee/chargee]†

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF14 3UZ

SCHEDULE TO FORM 395 FOR HOLIDAY HOTELS LIMITED

Part I

Definitions

References to clauses and schedules are to clauses of, and schedules to, the Debenture. In this Form 395 the following expressions shall have the following meanings respectively set out below:

"Assets" means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Chargor.

"Borrower" means Holiday Autos Group Limited (Company Number 3556797), Holiday Autos Holdings Limited (Company number 3079209), Holiday Autos International Limited (Company Number 2954204) and Holiday Autos U.K. and Ireland Limited (Company Number 3292373).

"BoS Documents" means the Loan Agreement, the Security Documents and all documents supplemental to any of them.

"ECI 5" means each of:

1. the limited partnership established with the name ECI 5 under the limited partnership agreement dated 28 February 1994 as varied by the limited partnership agreement dated 11 March 1994 and further varied by an Investors' Special Consent dated 26 April 1995;
2. the limited partnership established with the name ECI 5 B under the limited partnership agreement dated 10 March 1994 as varied by the limited partnership agreement dated 16 March 1994 and further varied by an Investors' Special Consent on 26 April 1995; and
3. the limited partnership established with the name ECI Developments 3 under the limited partnership agreement dated 28 February 1994.

"Full Group Security" means guarantees in favour of BoS from each UK Group Company on account of the obligations of each other UK Group Company and any other security (fixed or floating) which BoS may reasonably require.

"Group" means (other than in Schedule 3 of the Loan Agreement in which "Group" and "Group Company" shall have the meanings defined therein) the Borrowers and each of their Subsidiaries which is not dormant and, from the J.V. Completion Date, Holiday Hotels Limited and **"Group Company"** is construed accordingly.

"Holiday Hotels Limited" means the company incorporated in England and Wales under company number 4357078.

"Loan Agreement" means the working capital facility letter dated 21 November 2002 and made between Holiday Autos Group Limited and certain of its subsidiaries and BoS.

"J.V. Completion Date" means the date on which Holiday Autos Group Limited becomes the beneficial owner of 49.9% of the shares in Holiday Hotels Limited, such date not to be less than 60 days after the date of the Loan Agreement.

"Permitted Disposals" means:-

1. the disposal of assets on an arm's length basis in the ordinary and usual course of trading including the use of cash for any such purpose;

2. disposals between Group Companies (other than Holiday Hotels Limited) where the transferee has granted Full Group Security;
3. disposals where the proceeds are applied towards the acquisition of a replacement within 60 days of the disposal; and
4. disposals made other than in the ordinary and usual course of trading and not referred to in paragraphs 1 to 3 above but on an arm's length basis and only if the value of the assets disposed of (whether by a single or several transaction) when taken together with all similar disposals made by the Group is not in total more than £100,000.

"Permitted Security Rights" means (1) liens and rights of set-off securing obligations which are not overdue beyond their standard payment dates, arising by operation of law in the ordinary and usual course of trading (2) Security Rights arising out of title retention provisions in a supplier's standard conditions of supply of goods acquired in the ordinary and usual course of trading or (3) debentures constituting fixed and floating charges over the Borrowers' assets in favour of ECI 5 dated 21 November 2002 and (4) Security Rights granted in terms of the BoS Documents or with the prior written approval of BoS.

"Secured Liabilities" means all or any monies and liabilities which will from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to BoS by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not BoS shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which BoS may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual BoS rates and practice as well after as before any demand made or decree obtained under the Debenture.

"Security Documents" means the documents listed under the heading of Security in Schedule 1 of the Loan Agreement and any other security granted to BoS.

"Security Right" means any mortgage, charge, security, pledge, lien, right of set-off, right to retention of title or other encumbrance, whether fixed or floating, over any present or future property, assets or undertaking.

Part II

Amount secured by mortgage or charge

By clause 1 of the Debenture, the Chargor covenanted that it will on demand in writing pay or discharge the Secured Liabilities.

Part III

Particulars of property mortgaged or charged

1. Under clause 3.1 of the Debenture, the Chargor charged to BoS as a continuing security and with full title guarantee for the payment or discharge of the Secured Liabilities:
 - (a) by way of a legal mortgage, all freehold and leasehold property vested in the Chargor at the date of the Debenture whether or not the title to the property is registered at HM Land Registry together with all present and future buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;

- (b) by way of first fixed charge:

- (i) all future freehold and leasehold property belonging to the Chargor together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;
 - (ii) all present and future interests of the Chargor in or over land or the proceeds of sale of it and all present and future licences of the Chargor to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property charged under the Debenture;
 - (iii) all the Chargor's goodwill and uncalled capital for the time being;
 - (iv) all present and future stocks, shares and other securities owned (at law or in equity) by the Chargor and all rights and interests accruing or offered at any time in relation to them, all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Chargor and the benefit of all rights and claims to which the Chargor is now or may be entitled under any contracts;
 - (v) all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Chargor or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Chargor or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world;
 - (vi) all present and future book and other debts and monetary claims of the Chargor whether payable on or after the date of the Debenture and the benefit of all present and future rights and claims of the Chargor against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 3.1.2.4 of the Debenture (described in paragraph 1(b)(iv) above));
 - (vii) all present and future plant and machinery not otherwise charged under clause 3 of the Debenture (described in this paragraph 1) and all other present and future chattels of the Chargor (excluding any of the same for the time being forming part of the Chargor's stock in trade or work in progress); and
 - (viii) all present and future bank accounts, cash at bank and credit balances of the Chargor with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest) (save for the Barclays Premium Account, account number 50209945 held with Barclays Bank PLC); and
- (c) by way of floating charge all the Assets not effectively otherwise charged by clause 3 of the Debenture (described in this paragraph 1), including (without limitation) any immovable property of the Chargor in Scotland and any Assets in Scotland falling within any of the types mentioned in sub-clause 3.1.2 of the Debenture (described in paragraph 1(b) above), but so that the Chargor is prohibited from creating any fixed security or mortgage or any other floating

charge over the Assets having priority over or ranking pari passu with the floating charge created by the sub-clause described in this paragraph 1(c) (otherwise than in favour of BoS) and the Chargor will have no power without the consent of BoS to part with or dispose of any part of those Assets except by way of sale in the ordinary course of its business.

Part IV

Covenants and Restrictions

2. Under clause 3.2 of the Debenture, the Chargor agreed that BoS may at any time, by written notice to the Chargor, immediately convert the floating charge created under sub-clause 3.1.3 of the Debenture (described in paragraph 1(c) above) into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from BoS, automatically be converted with immediate effect into a fixed charge:
 - (a) in respect of any Assets which become subject to a fixed charge in favour of any other person or to a disposition otherwise than by way of sale in the ordinary course of the Chargor's business immediately upon such charge or disposition;
 - (b) in respect of all the Assets charged under sub-clause 3.1.3 of the Debenture (described in paragraph 1(c) above) if and when the Chargor ceases to carry on business or to be a going concern; and
 - (c) in respect of all Assets on the making of an order for the compulsory winding-up of the Chargor or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Chargor or on the presentation of a petition for the making of an administration order in relation to the Chargor or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order.
3. Under clause 3.4 of the Debenture the Chargor agreed that it will not without the previous written consent of BoS:
 - (a) except for Permitted Security Rights, create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on any Asset charged under the Debenture; or
 - (b) except for Permitted Disposals, dispose of or part with possession in any way (except on the determination of any lease, tenancy or licence) or share occupation of any Asset; or
 - (c) in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset;
4. Under clause 3.7 of the Debenture, the Chargor agreed that any fixed mortgage, charge or other security created by the Chargor in favour of BoS after the date of the Debenture shall have priority over the floating charge created by the Debenture, except insofar as BoS shall declare otherwise whether at or after the time of creation of such fixed security.
5. Under clause 3.8 of the Debenture, the Chargor agreed that it will pay into its account with BoS (or as BoS may direct by notice in writing) all moneys which it receives in respect of any policies of insurance or assurance, fees, royalties, income or book or other debts or any other of the rights and claims charged to BoS under sub-clause 3.1.2 of the Debenture (described in paragraph 1(b) above) and until such payment hold all moneys so received upon trust for BoS and will not without the prior written consent of BoS

charge, factor, discount, or assign any of those policies, fees, royalties, income, debts, rights or claims in favour of any other person or purport to do so.

6. Under clause 5.3 of the Debenture, the Charger agreed that it shall not without the previous written consent of BoS redeem or purchase any of its own shares or issue any redeemable shares or create and issue any loan stock.
7. Under clause 10.1 of the Debenture, the Chargor agreed that no statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part of the freehold and leasehold property charged under this Debenture will be capable of being exercised by the Chargor without the previous written consent of BoS.
8. Under clause 10.2 of the Debenture, the Chargor agreed that, except for Permitted Disposals, it shall not be entitled to part with possession (otherwise than on the determination of any lease, tenancy or licence) of any property hereby charged, or to share the occupation thereof with any other person or persons, or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property hereby charged without such consent as described above.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 04357078

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 21st NOVEMBER 2002 AND CREATED BY HOLIDAY HOTELS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND ON ANY ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 29th NOVEMBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 3rd DECEMBER 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —