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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not write in this margin

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

[] [] [] [] [] [] [] [] [] []

5869370

Name of company

* Gaucho Acquisitions Limited (the "Company")

Date of creation of the charge

2 August 2006

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

A debenture dated 2 August 2006 between, inter alia, the Company (1) and the Trustee (as defined below) (2) (the "Debenture").

Amount secured by the mortgage or charge

All monies, obligations and liabilities from the date of the Debenture and any date thereafter due, owing or incurred to the Finance Parties (as defined below) (or any of them) or to the Trustee (as defined below) from or by any Obligor (as defined below) when the same become due for payment or discharge, whether by acceleration or otherwise, and whether such monies obligations or liabilities are express or implied, present or future, actual or contingent, joint or several, incurred as principal or surety and whether unascertained, collateral or unmatured, and whether originally owing to the Finance Parties or any of them or to the Trustee or purchased or otherwise acquired by it or any of them and whether denominated in sterling or in any other currency, or incurred on any banking account or in any other manner whatsoever and all other amounts payable by any Charging Company (as defined below) under the Debenture provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of Sections 151 and 152 of the Companies Act 1985 (the "Secured Obligations").

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

Anglo Irish Bank Corporation plc of 10 Old Jewry, London as agent of and trustee for other Finance Parties (as defined below) (the "Trustee")

Postcode EC2R 8DN

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

OLSWANG
90 High Holborn
London
WC1V 6XX

MTM/KAL/TRB/13280.15/2393837

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

See Schedule 1 of the Continuation Sheet

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)

None

Signed

D/Swain

Date

14.08.06.

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

*A fee 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

SCHEDULE 1**SHORT PARTICULARS OF ALL PROPERTY MORTGAGED OR CHARGED****1. COVENANT TO PAY**

The Company covenants in favour of the Trustee as trustee for the Finance Parties that it will pay and/or discharge when due and payable the Secured Obligations.

2. CHARGES

2.1 The Company with full title guarantee charges to the Trustee as trustee for the Finance Parties by way of first fixed charge as a continuing security for the payment and discharge of the Secured Obligations the following assets, both present and future, from time to time owned by the Company or in which the Company may from time to time have an interest:

2.1.1 all freehold and leasehold property of the Company and all liens, charges, options, agreements, rights and interests in or over land or the proceeds of sale of land and all buildings, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on such property or land together with all rights easements and privileges appurtenant to or benefiting the same (but excluding any such assets which are not owned by the Company);

2.1.2 all plant, machinery (other than that charged by clause 3.1 of the Debenture set out in paragraph 2.1.1 of this Form 395) computers and office and other equipment and the benefit of all contracts and warranties relating to the same (but excluding any such assets which are not owned the Company);

2.1.3 all stocks, shares, bonds and securities of any kind whatsoever whether marketable or otherwise and all other interests (including but not limited to loan capital) in any person including all Related Securities Rights and all Related Property Rights in respect thereof;

2.1.4 all Shares;

2.1.5 (subject, in the case of any monies held in, or sums standing to the credit of, the Accounts, to clause 7 of the Debenture) the Receivables;

2.1.6 all its rights, title and interest in and to cash at bank and (if different) any amount from time to time standing to the credit of any bank or other account with any Finance Party or with any other bank, financial institution or person (including, without limitation but subject to clause 7 of the Debenture, the Accounts);

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- 2.1.7 the Insurances and all proceeds of the Insurances;
- 2.1.8 all uncalled capital and the goodwill of the Charging Company now or at any time in the future in existence; and
- 2.1.9 all Intellectual Property.
- 2.2 The Company charges to the Trustee as trustee for the Finance Parties by way of first fixed charge with full title guarantee as a continuing security for the payment and discharge of the Secured Obligations all of its rights, title, benefits and interests whatsoever (whether present or future, proprietary, contractual or otherwise) under or arising out of the Transaction Documents (other than the Finance Documents), the Hedging Arrangements, the Operating Documents (in each case as from time to time extended, varied or replaced), including without limitation (i) any indebtedness arising from or in any way connected with the Acquisition or the financing of the Acquisition, (ii) all claims for damages or other remedies in respect of any breach of, or inaccuracy in, any Transaction Document (other than the Finance Documents), any Hedging Arrangements and any Operating Document, and (iii) the benefit of (and the right to make any claims under or in respect of) all warranties, indemnities and representations given to it in or pursuant to any Transaction Document (other than the Finance Documents), any Hedging Arrangements and any Operating Document.
- 2.3 The Company with full title guarantee charges to the Trustee as trustee for the Finance Parties by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever, both present and future, but excluding any property or assets from time to time or for the time being effectively charged to the Trustee by way of fixed charge pursuant to clauses 3.1 and 3.2 of the Debenture (as set out at paragraphs 2.1 and 2.2 of this Form 395).
- 2.4 The charges created by clauses 3.1, 3.2 and 3.3 of the Debenture (as set out in paragraphs 2.1, 2.2 and 2.3 of this Form 395) shall be first charges.
- 2.5 As further security for the payment of the Secured Obligations, the Company assigns absolutely to the Trustee as trustee for the Finance Parties all its right, title and interest in the Assigned Agreements and the Insurances (save that the exercise of all rights and remedies in connection with such contracts, the exercise of any discretions or judgments, the giving or any waivers or consents and any entitlement to all proceeds and claims arising therefrom shall, in the absence of an Event of Default which is outstanding, be exercised at the sole discretion of the Company, subject always to the terms of the Facility Agreement, provided that on payment or discharge in full of the Secured Obligations the Trustee will at the request and cost of the Company reassign the Assigned Agreements and the Insurances.

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- 2.6 Each of the charges referred to in clause 3.1 of the Debenture (as set out at paragraph 2.1 of this Form 395) shall be read and construed as, and deemed to be, separate charges over each of the items mentioned in sub-clauses 3.1 to 3.1.9 (inclusive) of the Debenture (as set out at paragraph 2.1.1 to 2.1.9 of this Form 395), so that each item mentioned in each sub-clause and each item forming any constituent element of the Insurances and the Intellectual Property shall be deemed to be subject to a separate charge. Without prejudice to the generality of the previous sentence if any such item shall be found to be subject to a floating charge and not to a fixed charge, such finding shall not of itself result in any other such item being deemed to be subject to a floating charge (as opposed to a fixed charge).
- 2.7 Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.3 which floating charge is accordingly a qualifying floating charge for such purposes.

3. NEGATIVE PLEDGE

The Company covenants that it will not without the prior consent in writing of the Trustee:

- 3.1 (save in relation to Receivables to the extent permitted or required pursuant to clause 7 of the Debenture) dispose of, factor, discount, assign or in any other manner deal with, or create, or attempt to create, or permit to subsist or arise any Security (except pursuant to the Permitted Security) on or over, the Receivables or any part of the Receivables, or release, set off or compound them;
- 3.2 create or attempt to create or permit to subsist in favour of any person other than the Trustee any Security (except pursuant to the Permitted Security); and/or
- 3.3 dispose of the Charged Assets or any part of them or attempt or agree so to do, except in relation to Receivables to the extent permitted pursuant to clause 7 of the Debenture and except for Floating Charge Assets which may (subject to the provisions of the Debenture and in particular but without limitation subject to the provisions of clause 7 of the Debenture) be sold at full market value in the usual course of trading as now conducted and for the purpose of carrying on the relevant Charging Company's business and except for Permitted Disposals.

SCHEDULE 2

Terms defined in the Facility Agreement shall have the meaning ascribed to therein when used in this Form 395 and the following terms shall have the following meanings:

"Account"	a General Account or the Surplus Deposit Account;
"Acquisition"	the acquisition by the Company of the entire issued share capital of Gaucho Grill Holdings Limited on the terms of the Acquisition Documents;
"Acquisition Agreement"	the share purchase and sale agreement dated 2 August 2006 between, amongst others, the Company and the several persons named therein as sellers in connection with the Acquisition;
"Acquisition Costs"	all fees, costs and expenses, stamp, registration and other Taxes incurred by the Company or any other member of the Group in connection with the Acquisition;
"Acquisition Disclosure Letter"	the disclosure letter dated on or about the date of the Facility Agreement between, amongst others, the Company and Swingline Holdings Limited in connection with the Acquisition;
"Acquisition Document"	the Acquisition Agreement, the Acquisition Disclosure Letter, the Tax Deed and/or the Exchange Agreement;
"Assigned Agreements"	each of the agreements specified in Schedule 2 of the Debenture (as set out at Schedule 3 of this Form 395) together with each other agreement supplementing or amending the same and any other document designated as

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	an Assigned Agreement after the date hereof by the Agent and the Parent;
"Charged Assets"	in respect of a Charging Company all the undertaking, goodwill, property, assets and rights of such Charging Company described in clauses 3.1, 3.2 and 3.3 of the Debenture;
"Charging Companies"	the Company and the Parent and any person which accedes to the terms of the Debenture pursuant to the terms of a duly executed Deed of Accession (and each a "Charging Company");
"Employment Contract"	a contract of employment granted by an Obligor in respect of an employee of such Obligor earning £50,000 per annum or more which is the subject of the Due Diligence Reports;
"Event of Default"	any event or circumstance specified as such in Clause 24 of the Facility Agreement (Events of Default);
"Existing Restaurant"	each of the bars and restaurants operating under the brand names "Gaucha Grill" or "Gaucha" or "Destino" set out in Part 3 of Schedule 1 of the Facility Agreement;
"Facility Agreement"	An agreement dated 2 August 2006 between (1) the Company (2) the Parent (3) Anglo Irish Bank Corporation plc in its various capacities and (4) the Financial Institutions listed herein (as defined therein);
"Finance Document"	the Facility Agreement, an Accession Letter, a Security Document, the Subordination Deed, Subordination Accession, the Fee Letter, the Hedging Strategy Letter, a Transfer Certificate, the Hedging Arrangements and any other document designated as such by the Agent and the

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	Company;
"Finance Party"	the Agent, the Arranger, the Counterparty, the Issuing Bank or a Lender;
"General Account"	each account designated as such under the terms of the Facility Agreement;
"Group"	the Parent and its Subsidiaries (which includes the Company) for the time being;
"Hedging Arrangement"	any interest hedging arrangement entered into by the Company in connection with interest payable under the Facility Agreement;
"Insurances"	all policies of insurance either now or in the future held by or written in favour of any Charging Company or in which any Charging Company is otherwise interested, including the key person insurance pursuant to each Key Person Insurance Document but excluding any third party liability or public liability insurance;
"Investment Agreement"	the investment agreement relating to the Parent dated 2 August 2006;
"Investment Document"	the articles of association of the Parent, the Investment Agreement or a Loan Note Document;
"Issuing Bank"	means each Lender identified in Part 2 of Schedule 1 of the Facility Agreement as a Lender providing an L/C Commitment as an issuing bank and any other Lender which has notified the Agent that it has agreed to the Parent's request to be an Issuing Bank pursuant to the terms of the Facility Agreement provided that, in respect of a Letter of Credit issued or to be issued pursuant to the terms of the Facility Agreement, the "Issuing Bank" shall be the

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	Issuing Bank which has issued or agreed to issue that Letter of Credit;
"Key Person Insurance Document"	a key person life assurance policy or policies (in form and substance satisfactory to the Agent and with such insurer as the Agent may reasonably approve) for an aggregate amount of £2,000,000 taken out and maintained by the Parent in respect of Zeev Godik (and any substitute or replacement policies entered into relating to the same);
"Lender"	<p>(a) any Original Lender; and</p> <p>(b) any bank, financial institution, trust, fund or other entity which has become a party to the Facility Agreement in accordance with Clause 25 of the Facility Agreement (Changes to the Lenders),</p> <p>which in each case has not ceased to be a party to the Facility Agreement in accordance with the terms of the Facility Agreement;</p>
"Loan Note Document"	the Loan Note Instruments, a Loan Note, the Consideration Loan Note Instruments or a Consideration Loan Note;
"Loan Note"	a Loan Note constituted by a Loan Note Instrument including any PIK Notes issued pursuant to the terms of the relevant Loan Note Instrument;
"Loan Note Instrument"	<p>a) a loan note instrument of the Company constituting £3,289,366 10% unsecured series C management loan notes 2015; or</p> <p>b) a loan note instrument of the Company constituting £10,461,929 10% unsecured series D investor loan notes 2015;</p>

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"Obligor"	the Company or a Guarantor;
"Operating Document"	a Restaurant Lease, a Service Contract and an Employment Contract;
"Overdraft Facility"	overdraft facility of the relevant member(s) of the Group for an amount of up to £1,000,000 and on terms approved by the Agent;
"Parent"	Gaucho Group Limited whose registered number is 05866531;
"Permitted Security"	<ul style="list-style-type: none">a) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;b) any lien arising by operation of law and in the ordinary course of trading; or;c) any Security or right of set-off entered into pursuant to any Finance Document;d) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;e) any Security existing as at the date of the Facility Agreement over assets of Holdings or any of its Subsidiaries so long as the Security is irrevocably

removed or discharged by no later than the Closing Date;

- f) any Security arising as a consequence of any finance lease permitted pursuant to paragraph (d) of the definition of Permitted Financial Indebtedness set out in the Facility Agreement;
- g) any Security arising under the Account Charge;
- h) any Security arising in respect of any judgment, award or order or any tax liability for which an appeal or proceedings for review are being diligently pursued in good faith;
- i) any Security arising under a rent deposit deed entered into on arm's length terms and in the ordinary course of business securing the obligations of a member of the Group in relation to property leased to a member of the Group; or
- j) any Security arising under ING's standard account opening mandate over monies deposited in DutchCo's account with ING provided that such Security only secures fees and costs and expenses payable to ING for operating such account;

"Phoenix"

Phoenix Equity Partners Limited;

"PIK Notes"

any unsecured subordinated payment in kind loan notes of the Company issued pursuant to the terms of any Loan Note Instrument or Consideration Loan Note Instrument;

"Receivables"

in respect of each Charging Company:

- (i) all present and future book debts and other debts, rentals, royalties fees, VAT and monetary claims and all other amounts recoverable or receivable by the Charging Company from other persons or due or owing to the Charging Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever);
- (ii) the benefit of all rights and remedies relating to any of the items in (i) above including, without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, guarantees, indemnities, Security, Collateral Instruments, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights; and
- (iii) all proceeds of any of the items listed in (i) or rights and remedies in (ii) above;

"Related Property Rights"

means, in relation to any property or asset:

- (i) the proceeds of sale and/or other realisation of that property or asset (or any part thereof or interest therein);
- (ii) all Security, options, agreements, rights, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property or asset; and

- (iii) all rights under any agreement in respect of such property or asset;

"Related Securities Rights"

all allotments, rights, benefits and advantages (including all voting rights) whatsoever at any time accruing, offered or arising in respect of or incidental to any Shares or Securities and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Shares or Securities;

"Rental Payments"

any amounts paid or payable under a Restaurant Lease in respect of:

- a) rent;
- b) any other monies in respect of the occupation or usage of Restaurant Premises; and
- c) service charges in respect of costs incurred by a member of the Group under any repairing or similar obligations or in provision of services to such member of the Group with respect to the Restaurant Premises;

"Restaurant Lease"

in respect of each Restaurant, the occupational lease pursuant to which the relevant Obligor is entitled to occupy the Restaurant Premises;

"Restaurant Premises"

the premises (which are the subject of a Restaurant Lease) from which a Restaurant operates;

"Security"

a mortgage, charge, assignment, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar

	effect;
"Securities"	the assets of the relevant Charging Company described in clause 3.3 of the Debenture;
"Service Contract"	a service contract of each member of Senior Management (or, in the case of Mr Stephen Gee, his consultancy agreement) in form and substance acceptable to the Agent;
"Surplus Deposit Account"	the blocked account designated as such under the terms of the Facility Agreement; and
"Transaction Document"	(a) a Finance Document; (b) an Acquisition Document; (c) an Investment Document; or (d) any other document designated as such by the Agent and the Company.

SCHEDULE 3

Shares

As at the Closing Date:

(A) 60,000 A Shares of £0.10 each

(B) 470,000 B Shares of £0.10 each, and

(C) 470,000 C Shares of £0.10 each,

in the share capital of Gaucho Grill Holdings Limited

Assigned Agreements

the Hedging Arrangements;

each Acquisition Document;

each Operating Document (to which it is a party); and

each Investment Document (to which it is a party).

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05869370

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 2nd AUGUST 2006 AND CREATED BY GAUCHO ACQUISITIONS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY OBLIGOR AND ANY CHARGING COMPANY TO THE FINANCE PARTIES (OR ANY OF THEM) OR TO ANGLO IRISH BANK CORPORATION PLC AS AGENT OF AND TRUSTEE FOR OTHER FINANCE PARTIES (THE TRUSTEE) ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 15th AUGUST 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 17th AUGUST 2006.

A handwritten signature in black ink, appearing to be 'R. G.' or similar.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES