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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

*Insert full name
of Company

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

5895613

Name of company

INN INVESTMENT LIMITED (the "Company")

Date of creation of the charge

30 November 2006

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

Debenture (the "Deed")

Amount secured by the mortgage or charge

All and any moneys, obligations and liabilities now or in the future due owing or incurred by any Obligor to the Finance Parties (or any of them) in whatever currency denominated whether actually or contingently and whether alone or jointly with any other person and whether as principal or surety under the Finance Documents including all interest, commissions, fees and all legal and other costs, charges and expenses which the Finance Parties (or any of them) may charge any Obligor or incur under any Finance Document (the "Secured Liabilities").

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

Anglo Irish Bank Corporation plc (the "Security Agent") registered in Ireland and acting through its London branch at 10 Old Jewry, London

Postcode

EC2R 8DN

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

Our Ref: BLUED/307031-8137
Addleshaw Goddard LLP
Alder Castle
10 Noble Street
London EC2V 7JW

For official Use
Mortgage Section

Post room



LD5
COMPANIES HOUSE

LG6QXL4J

350
06/12/2006

Short particulars of all the property mortgaged or charged

1 Charge**1.1 Fixed and floating charges**

As a continuing security for the payment of all Secured Liabilities the Company charges:

(a) by way of first legal mortgage (but excluding Scottish Property):

- (i) the properties described in schedule 2 (The Properties (Real Property)) of the Deed as described in the Schedule to this Form 395; and
- (ii) all other estates or interest in any freehold or leasehold property now belonging to it, whether or not the title is registered at the Land Registry;

(continued....)

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).

Nil

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

Signed Addleshaw Goddard LLP Date 6 December 2006

On behalf of [mortgagee/chargee]

†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.
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;
- 3 (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 CF4 3UZ, DX: 33050 Cardiff

Amount secured by the mortgage or charge (continued)

Company Name: Inn Investment Limited

Company No: 5895613

- (b) by way of first fixed charge (but excluding Scottish Property and any rights associated therewith which are not capable of being charged by way of fixed charge in the manner hereinafter appearing):
- (i) (to the extent that they are not the subject of a mortgage under paragraph (a) above) all estates or interests in any freehold or leasehold property belonging to it from time to time;
 - (ii) all buildings and fixtures (including trade and tenant's fixtures belonging to it) now and in the future on any Real Property and all plant and machinery now and in the future annexed to any Real Property;
 - (iii) all other interests now and in the future belonging to it in or over land or the proceeds of sale of land and all licences now or in the future held by it to enter upon or use land;
 - (iv) the benefit of all other agreements relating to land to which it is or may become a party or otherwise entitled;
 - (v) all its right to and interest in any proceeds of sale of the whole or any part of the Charged Property (including, without limitation, any compensation received by it as a result of any notice or order referred to in clause 5.8(d) (Notices) of the Deed which may at any time be held or received by it or anybody else on its behalf);
 - (vi) the Deposit together with all interest accruing thereon;
 - (vii) all claims it may have in relation to moneys (and interest) from time to time standing to the credit of any of its present and future accounts (other than the Permitted Blocked Accounts) with any bank, financial institution or other person and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing;
 - (viii) all its book debts and other debts and prepayments existing now or in the future and whether payable now or in the future and all its rights and claims against third parties existing now or in the future and capable of being satisfied by the payment of money;
 - (ix) all its goodwill and uncalled capital from time to time;
 - (x) rights to recover any VAT on any supplies made to it relating to the Charged Property and any sums so received;
- (c) by way of assignment:
- (i) the Gross Annual Income;
 - (ii) all its right, title and interest in and to all payments made under all present

and future insurance policies in respect of the Charged Property;

- (iii) all rights and claims to which it is now or may in the future become entitled in relation to the Real Property including, without limitation, all rights and claims it may have from time to time against persons who now are, have been or may become lessees, tenants, sub-lessees, sub-tenants, licensees or occupiers of the Real Property and all guarantors and sureties for the obligations of such persons and any security taken from any such persons;
- (iv) all rights under any agreement or arrangement including any Hedging Arrangement it may enter into now or in the future with any person for the purpose of or in connection with the fixing, capping or hedging of the rate of interest payable by it in respect of any borrowing or indebtedness and any right or option to enter into any such agreement or arrangement;
- (v) all its Intellectual Property;
- (vi) all of its present and future rights, title and interest in and to the Transaction Documents and all sums which shall from time to time become payable to it by any party under the Transaction Documents or any provisions thereof and all its rights arising out of or in connection with any breach or default by any party to the Transaction Documents of or under any of the terms, obligations, covenants, undertakings or condition of the Transaction Documents;
- (vii) to the extent the same are capable of assignment and are not otherwise charged or assigned by the foregoing provisions of clause 3.1 of the Deed as described by the foregoing provisions of this paragraph 1.1 of this Form 395:

(A) the benefit of all rights and claims to which it is now or may in the future become entitled under all present and future building contracts relating to the Real Property and all guarantees, warranties and representations given or made by and any rights and remedies against all or any building contractors at any time engaged in relation to the Real Property together with the benefit of all sums recovered in any proceedings against all or any such persons;

(B) the benefit of all appointments, contracts, guarantees, representations, warranties and undertakings given or made by and any rights or remedies against all or any professional advisers now or at any time engaged by it in relation to the Charged Property and the manufacturers, suppliers or installers of all plant, machinery, fixtures, fittings and other items now or from time to time in or on the buildings erected or to be erected on the Charged Property and any other person firm or company now or from time to time under contract with it or under a duty to it (including, without limitation, direct warranties between it and any sub-contractor and the benefit of any performance bond or a bond of any other form or content and/or any parent company guarantee or guarantees) together with benefit of all sums recovered in any proceedings against all or any of such persons; and

- (d) by way of floating charge, its undertaking and all its other property, assets and rights not effectively charged by clause 3.1 of the Deed as described in paragraph 1.1 of this Form 395 both present and future (including but not limited to its stock in trade

and its heritable and other property, assets and rights in Scotland or otherwise subject to or governed by Scots law) (and paragraph 14 of Schedule B1 of the Insolvency Act 1986 applies to the floating charge so created).

1.2 Priority

The security created by the Deed:

- (a) shall rank as first charges, mortgages and assignments; and
- (b) is given with full title guarantee and in relation to any assets situated in Scotland, with absolute warrandice.

1.3 Negative pledge

- (a) The Company shall not, without the prior written consent of the Security Agent, other than in accordance with the Facilities Agreements, create or permit to subsist or arise any Security on the Charged Property other than the Permitted Security.
- (b) Subject to paragraph (a) above, any Security on the Charged Property created in the future by the Company (otherwise than in favour of the Security Agent) shall be expressed to be subject to the Deed and shall rank after and postponed to the security created by the Deed.

1.4 Restrictions on disposals

The Company shall not, without the prior written consent of the Security Agent, other than in accordance with the Facilities Agreements, part with or dispose of or grant any lease in respect of any Charged Property except, in the case of stock-in-trade charged by way of floating charge, which the Company may sell or realise at not less than market value in the ordinary and proper course of its business. Without limitation, the Company shall not, without the prior written consent of the Security Agent, sell, assign, discount, factor, pledge, charge or otherwise dispose of its debts or chooses in action or otherwise deal with the same except in accordance with the Finance Documents nor sell assign or dispose of any Intellectual Property.

1.5 Conversion of floating charge

The Security Agent may and upon receiving instructions from the Majority Lenders will from time to time by notice in writing to the Company following the occurrence of a Default convert the floating charge contained in clause 3.1(d) (Fixed and Floating Charges) into a fixed charge (to the extent competent under applicable law) as regards any Charged Property specified in such notice or if the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution, diligence or other legal process or to otherwise be in jeopardy.

1.6 Automatic Conversion

Notwithstanding anything contained in the Deed, if without the prior written consent of the Security Agent:

- (a) the Company creates any Security (whether by way of fixed or floating security) over or otherwise encumbers any of the Charged Property subject to a floating charge hereunder or attempts to do so; or

- (b) any person levies or attempts to levy any distress execution sequestration diligence or other process against all or any part of the Charged Property,

the floating charge created by the Deed over such of the Charged Property shall (to the extent competent under applicable law) automatically without notice operate and have effect as a fixed charge instantly such event occurs.

2 Further assurance

The Company shall at any time on written demand by the Security Agent or any Receiver:

- (a) execute as security for the payment or discharge of the Secured Liabilities such further legal or other mortgages, fixed or floating charges, assignments, assignations or other instruments as the Security Agent or any Receiver may require over all or any of the Charged Property both present and future, including but not limited to any freehold, leasehold or heritable property which may become vested in the Company. Each such mortgage, charge, assignment, assignation or instrument shall be in such form as the Security Agent or any Receiver may require and shall be prepared, completed and registered by or on behalf of the Security Agent at the cost of the Company; and
- (b) affix to such items of the Charged Property or indorse or cause to be indorsed thereon as the Security Agent shall stipulate such labels, signs, memoranda or other recognisable identification markings as the Security Agent shall require referring or drawing attention to the security constituted by or pursuant to the Deed.

3 DEFINITIONS

Accession Deed has the meaning given to it in the Facilities Agreements.

Arranger means Anglo Irish Bank Corporation plc.

Assignment of Rent means an assignment executed or to be executed by an Obligor in favour of the Security Agent in a form and content satisfactory to the Security Agent of the rental income payable to an Obligor in respect of any Scottish Property.

AWP has the meaning ascribed to it in the Facilities Agreements.

Bankside Blocked Accounts means the Horizon Blocked Account and the Richardson Blocked Account as each such term is defined in the Bankside Facilities Agreement and Bankside Blocked Account means either of them.

Bankside Facilities Agreement means means a facilities agreement to be entered into between London Town plc, Bankside Developments Limited as borrower, London Town plc and certain of its subsidiaries as guarantors and Anglo Irish Bank Corporation plc as arranger, original lender, hedge counterparty and security agent as the same may be amended, varied, supplemented, restated and/or novated from time to time.

Barrelage Income means all amounts payable by tenants of the Properties in respect of barrels of alcoholic drinks and calculated by reference to the amount of alcoholic drinks sold (or deemed to be sold) at the Properties.

Capitalisation Facility means the term loan facility made available under the Facilities Agreements as described in clause 2.1(b) (The Facilities) of the Facilities Agreements.

Capitalisation Facility Blocked Account means an interest bearing blocked account into which the Capitalisation Loan will be paid.

Capitalisation Loan means the loan made or to be made under the Capitalisation Facility or the principal amount outstanding for the time being of that loan.

Charged Property means the undertaking, property, rights and assets of each Obligor charged and/or assigned by the Deed and includes any part thereof and any interest therein.

Commitments has the meaning given to it in the Facilities Agreement.

Composite Debenture means the debenture executed or to be executed by the Obligors in favour of, inter alia, the Security Agent in a form and content satisfactory to, inter alia, the Facility Agent incorporating, inter alia, a first legal mortgage over the Properties (other than any Scottish Property), an assignment by way of security of the Rental Income (other than in relation to any Scottish Property), a first fixed charge over any relevant account, an assignment by way of security over the benefit of the Transaction Documents, a charge over all the contracts entered into by the Obligor in respect of the Properties, an assignment by way of security of any Hedging Arrangement and the Save Acquisition Agreement and a first floating charge over all the other assets of the Obligors.

Deed of Undertaking has the meaning given to it in the Facilities Agreements.

Default has the meaning given to it in the Facilities Agreements.

Deposit means any and all sums for the time being standing to the credit of, and the debt represented by any bank account, together with all interest accruing thereon.

Facilities Agreements means the Bankside Facilities Agreement and the Inn Investment Facilities Agreement and **Facilities Agreement** means each of them.

Facility Agent means Anglo Irish Bank Corporation plc.

Fee Letter has the meaning given to it in the Facilities Agreements.

Finance Document means:

- (a) any Accession Deed;
- (b) the Facilities Agreements;
- (c) the Deed of Undertaking;
- (d) any Fee Letter;
- (e) any Hedging Arrangement;
- (f) the Intercreditor Deed;
- (g) any Security Documents;
- (h) any Utilisation Request; and
- (i) any other document designated as a Finance Document by the Facility Agent and the

Company.

Finance Parties means any of the Facility Agent, the Arranger, the Security Agent, each Lender and each Hedge Counterparty.

Gross Annual Income means in relation to any 12 Month period the aggregate of all income received by each Obligor arising from the letting, use or occupation of the Properties and the Pubs and its business generally in respect of such Properties and Pubs, including in respect of such 12 Month period:

- (a) Barrelogage Income;
- (b) Rental Income;
- (c) Machine Income;
- (d) income from minerals and wine sales; and
- (e) unlicensed income.

Hedging Arrangement has the meaning given to it in the Facilities Agreements.

Hedge Counterparty means Anglo Irish Bank Corporation plc.

Horizon Blocked Account means an interest bearing blocked account into which the Horizon Loan will be paid.

Horizon Loan has the meaning ascribed to it in the Facilities Agreements.

Inn Investment Blocked Accounts means the Horizon Blocked Account and the Richardson Blocked Account as each such term is defined in the Inn Investment Facilities Agreement and **Inn Investment Blocked Account** means either of them.

Inn Investment Facilities Agreement means a facilities agreement to be entered into between London Town plc, Inn Investment Limited as borrower, London Town plc and certain of its subsidiaries as guarantors and Anglo Irish Bank Corporation plc as arranger, original lender, hedge counterparty and security agent as the same may be amended, varied, supplemented, restated and/or novated from time to time.

Intellectual Property means patents, registered designs, trade marks and service marks (whether registered or not and including applications for any of the foregoing), copyrights, design right, business or trade names, domain names, rights in and to software including source codes, rights in and to Technical Information and other confidential information, trade secrets and know-how, database rights and all other intellectual property rights of whatever nature subsisting in any part of the world.

Intercreditor Deed has the meaning given to it in the Facilities Agreements.

Lender has the meaning given to it in the Facilities Agreements.

Machine Income means all income payable to an Obligor in relation to AWP and other machines (including cigarette machines, gaming machines and prize bingo machines) from the suppliers of such machines to Pubs at the Properties.

Majority Lenders means a Lender or Lenders whose Commitments aggregate more than

66²/₃% of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 66²/₃% of the Total Commitments immediately prior to that reduction).

Manager's Undertaking has the meaning given to it in the Facilities Agreements.

Obligor means any of the companies listed in Schedule 1 to the Deed, together the **Obligors**.

Occupational Lease means any Unconditional Agreement for Lease, occupational lease or licence tenancy or any occupational arrangement to which the Properties may be subject from time to time.

Permitted Blocked Accounts means the Bankside Blocked Accounts and the Inn Investment Blocked Accounts.

Permitted Security has the meaning given to it in the Facilities Agreements.

Properties means the leasehold, freehold and heritable properties set out in schedule 2 (The Properties (Real Property)) of the Deed and as described in the Schedule annexed to this Form 395.

Pubs means the public house business carried on at the Properties and each such public house being a Pub.

Real Property shall mean the Charged Property from time to time charged by the Obligors pursuant to clauses 3.1(a)(i), 3.1(a)(ii) and 3.1(b)(i) (Fixed and floating charges) of the Deed as described at paragraphs 1.1(a)(i), 1.1(a)(ii) and 1.1(b)(i) of this Form 395 and, in relation to any Scottish Property, by any Standard Security.

Receiver means each and every person or persons appointed under clause 7 (Receivers and Administrators) of the Deed as a receiver and/or manager or receivers and/or managers and includes an administrative receiver.

Rental Income means the aggregate of all sums paid or payable to or for the benefit of the Obligors arising from the letting, use or occupation of any of the Properties, including (but without double counting):

- (a) rents, licence fees and equivalent sums reserved or made payable;
- (b) sums received from any deposit held as security for performance of any tenant's obligations;
- (c) any other monies payable in respect of use and/or occupation;
- (d) proceeds of insurance in respect of loss of rent;
- (e) receipts from or the value of consideration given for the surrender, renunciation or variation of any letting;
- (f) proceeds paid by way of reimbursement of expenses incurred or on account of expenses to be incurred in the management, maintenance and repair of, and the payment of insurance premiums for, the Properties;
- (g) proceeds paid for a breach of covenant under any Occupational Lease in respect of

the Properties and for expenses incurred in relation to any such breach;

- (h) any contribution to a sinking fund paid by an occupational tenant;
- (i) any contribution by an occupational tenant of the Properties to ground rent due under any lease out of which an Obligor derives its interest in the Properties;
- (j) any payment from a guarantor or other surety in respect of any of the items listed in this definition;
- (k) interest, damages or compensation in respect of any of the items in the definition; and
- (l) any VAT on any sum mentioned in this definition.

Richardson Blocked Account means an interest bearing blocked account into which the Richardson Loan will be paid.

Richardson Loan has the meaning ascribed to it in the Facilities Agreements.

Save Acquisition Agreement has the meaning given to it in the Facilities Agreements.

Scottish Property means such of the Properties and any other property owned by an Obligor as are situated in Scotland.

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

Security Documents means:

- (a) the Capitalisation Facility Blocked Account Charge;
- (b) the Composite Debenture;
- (c) each Standard Security;
- (d) each Assignment of Rent;
- (e) the Manager's Undertakings;
- (f) the Supplemental Legal Charge; and
- (g) any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents.

Standard Security means a standard security executed or to be executed by an Obligor in favour of the Security Agent in a form and content satisfactory to the Security Agent creating a fixed security over Scottish Property.

Supplemental Legal Charge means the legal charge to be entered into between the Company, Bankside Developments Limited and the Security Agent.

Technical Information means all designs, specifications, data sheets, calculations, methods, techniques, processes, discoveries, recipes, formulations, inventions,

performance data and other technical data and information relating to the sale, use and maintenance of services offered by any Obligor.

Total Commitments means the total commitments as each such term is defined in each of the Facilities Agreements.

Transaction Documents has the meaning given to them in the Facilities Agreements.

Unconditional Agreement for Lease has the meaning ascribed to it in the Facilities Agreements.

Utilisation Request means a utilisation of a Capitalisation Loan.

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

Schedule

| No. | Property Name | Address | Tenure | Title Number |
|-----|--------------------|--|----------|--------------|
| 1. | Anchor Inn | Fore Street Chudleigh Knighton | Freehold | DN318739 |
| 2. | Bell Inn | 180 Drew Street Brixham | Freehold | DN313236 |
| 3. | Cheddar Valley Inn | Tucker Street Wells | Freehold | ST89453 |
| 4. | Crown Inn | Totterdown Lane Pilton | Freehold | ST88086 |
| 5. | Duke of York | 34 York Road Salisbury | Freehold | WT110215 |
| 6. | The Horseshoes Inn | London Road Silk Willoughby Lincolnshire | Freehold | LL82287 |
| 7. | Marston Inn | Marston Magna Yeovil | Freehold | ST87593 |
| 8. | Prince of Wales | Bynner Street Shrewsbury | Freehold | SL131375 |
| 9. | Queen's Arms | 9 Ivy Street Salisbury | Freehold | WT110557 |
| 10. | Rose & Crown | St John Street Wells | Freehold | ST88830 |
| 11. | Rose & Crown | High Street Islip | Freehold | NN151386 |
| 12. | The Royal Oak | Hawkridge Westbury | Freehold | WT110214 |
| 13. | The Three Brewers | Public House Priory Street Corsham | Freehold | WT130412 |
| 14. | White Hart | Daghole Cheddar | Freehold | ST89493 |

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05895613

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 30th NOVEMBER 2006 AND CREATED BY INN INVESTMENT LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY OBLIGOR TO THE FINANCE PARTIES (OR ANY OF THEM) 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 6th DECEMBER 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 12th DECEMBER 2006.

PDW



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES