



Registration of a Charge

Company name: **Curzon Hotel Properties (GP) Limited**

Company number: **05931998**



X54OBJYR

Received for Electronic Filing: **11/04/2016**

Details of Charge

Date of creation: **31/03/2016**

Charge code: **0593 1998 0011**

Persons entitled: **U.S. BANK TRUSTEES LIMITED OF 125 OLD BROAD STREET, LONDON, EC2N 1AR, AS SECURITY TRUSTEE FOR EACH OF THE SECURED PARTIES (THE "COMMON SECURITY AGENT")**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

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:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5931998

Charge code: 0593 1998 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st March 2016 and created by Curzon Hotel Properties (GP) Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th April 2016 .

Given at Companies House, Cardiff on 12th April 2016

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 31 March 2016

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

U.S. BANK TRUSTEES LIMITED
AS THE COMMON SECURITY AGENT

SECURITY AGREEMENT

CONTENTS

Clause	Page
1. Definitions and Interpretation	1
2. Covenant to Pay	8
3. Common Provisions	8
4. Fixed Security	9
5. Floating Charge	11
6. Provisions as to Security and perfection	13
7. Further Assurance	19
8. Shares, Investments and Partnership Interests	20
9. Accounts	22
10. Enforcement of Security	22
11. Extension of Powers and Right of Appropriation	23
12. Appointment of Receiver or Administrator	24
13. Powers of Receivers	25
14. Application of Moneys	26
15. Protection of Purchasers	26
16. Power of Attorney	27
17. Effectiveness of Security	27
18. Prior Security Interests	30
19. Subsequent Security Interests	31
20. Suspense Accounts	31
21. Release of Security	31
22. Discretion and Delegation	32
23. Exclusion of Legislation	33
24. Governing Law	33
25. Jurisdiction	33
26. Service of Process	33
Schedule 1 Chargors	38
Schedule 2 Collateral Warranties	39
Schedule 3 Mortgaged Property	40
Schedule 4 Leases and Insurances	42
Part A Notice of Security	42
Schedule 5 Acquisition Documents, Inter-Company Loans and Collateral Warranties	44

Part A Notice of Security	44
Part B Acknowledgement of Notice of Security.....	45
Schedule 6 Accounts.....	47
Part A Notice of Security to Account Bank.....	47
Part B Acknowledgement of Security by Account Bank.....	49
Schedule 7 Hedging Agreements.....	50
Part A Notice of Assignment	50
Part B Acknowledgement of Assignment.....	52
Schedule 8 Relevant Shares	54
Schedule 9 Manor Chargors.....	55

THIS SECURITY AGREEMENT is made by way of deed on
by:

31 March 2016

- (1) **THE PERSONS** listed in Schedule 1 (*Chargors*) (each a "**Chargor**") in favour of:
- (2) **U.S. BANK TRUSTEES LIMITED** as security trustee for each of the Secured Parties (the "**Common Security Agent**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Security Agreement:

"Acceleration Event" means a Senior Acceleration Event and/or a Mezzanine Acceleration Event.

"Administration Event" means:

- (a) the presentation of an application or petition to the court for the making of an administration order in relation to a **Chargor**; or
- (b) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to a **Chargor** or files such a notice with the court.

"BVI Legislation" means the Conveyancing and Law of Property Ordinance (Cap. 220) of the British Virgin Islands.

"Collateral Warranty" means:

- (a) each of the collateral warranties listed in Schedule 2 (*Collateral Warranties*);
- (b) any collateral warranty entered into after the date of this Security Agreement by a **Chargor**; or
- (c) any collateral warranty in respect of which a **Chargor** has any rights, benefits or interests (other than (without prejudice to paragraph (a) above) any collateral warranty existing at the date of this Agreement).

"Contracts" means:

- (a) each Manor Acquisition Document;
- (b) each Hotel Operating Document governed by English law; and
- (c) any other management agreement, franchise agreement, portfolio agreement or services agreement in respect of a Hotel.

"Curzon Hotels (Operator) Limited" means the Chargor listed at number 4 of Schedule 1 (*Chargors*), being Curzon Hotels (Operator) Limited, a limited liability company incorporated in England with registered number 06025036.

"Curzon Hotel Properties Limited" means the Chargor listed at number 3 of Schedule 1 (*Chargors*), being Curzon Hotel Properties Limited, a limited liability company incorporated in the British Virgin Islands with registered number 1005418.

"Curzon Nominees" means each of:

- (a) the Chargor listed at number 5 of Schedule 1, being Curzon Nominees I Limited, a limited liability company incorporated in England and Wales with registered number 05934870; and
- (b) the Chargor listed at number 6 of Schedule 1, Curzon Nominees II Limited, a limited liability company incorporated in England and Wales with registered number 05934875.

"Event of Default" means a Senior Event of Default and/or a Mezzanine Event of Default.

"Excluded Assets" means each Chargor's interest in the whole or any part of any Wight Asset (as defined in the Deed of Priority).

"Facility Agreement" means each of the Senior Facility Agreement and the Mezzanine Facility Agreement.

"Finance Document" means each Senior Finance Document and each Mezzanine Finance Document.

"Finance Party" means a Senior Finance Party or a Mezzanine Finance Party.

"Fixed Scottish Security" means any fixed security, standard security, pledge or assignment governed by Scots law granted by a Chargor in favour of the Common Security Agent as security for the Secured Liabilities.

"General Partner" means the Chargor listed at number 2, of Schedule 1, being Curzon Hotel Properties (GP) Limited a limited liability company incorporated in England and Wales with registered number 05931998.

"Hedging Agreement" has the meaning given to such term in the Senior Facility Agreement.

"Insurance" means any contract or policy of insurance in which an Obligor may at any time have an interest, entered into in accordance with clause 26.8 (*Insurances*) of the Senior Facility Agreement and clause 26.8 (*Insurances*) of the Mezzanine Facility Agreement.

"Inter-Company Loans" means each and every sum paid or payable from time to time by a member of the Group to a Chargor pursuant to any Intra-Group Loan and any other sum from time to time paid or payable by any member of the Group for the time being to any Chargor.

"Intercreditor Agreement" means the intercreditor agreement dated 28 February 2015 as amended and restated on 4 March 2016 between, amongst others, the Senior Finance Parties and the Mezzanine Finance Parties.

"Investment" means all Shares, securities, certificates of deposit and other investments, all interests in collective investment schemes and partnerships (including all interests in the Partnership) and all warrants, options and rights to subscribe for any investment whether held directly by or to the order of any Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system) excluding all Shares, securities, certificates of deposit and other investments, all interests in collective investment schemes and partnerships and all warrants, options and rights to subscribe for any investment validly secured by a Fixed Scottish Security.

"Lender" means a Senior Lender or a Mezzanine Lender.

"Limited Partners" means the persons who are from time to time the limited partners in the Partnership being Curzon Hotel Properties Limited as at the date of this Security Agreement, and any other party that accedes to the Partnership Documents as a limited partner in accordance with the terms of the Senior Facility Agreement and the Mezzanine Facility Agreement.

"Manor Chargor" means each entity listed in Schedule 9 (Manor Chargor).

"Manor Security Agreement" means the English law security agreement dated on or about the date of this Security Agreement between each Manor Chargor as chargor and the Common Security Agent.

"Mezzanine Acceleration Event" means the giving of notice pursuant to clause 27.21 (*Acceleration*) of the Mezzanine Facility Agreement.

"Mezzanine Agent" means Elavon Financial Services Limited as agent of the other Mezzanine Finance Parties.

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

"Mezzanine Facility Agreement" means a facility agreement originally dated 28 February 2015 as amended and restated on 4 March 2016 between, amongst others LSREF III Malin Mezzco Limited (formerly known as LSF Irish Holdings 58 Limited) as Mezzanine Borrower, Bank of America Merrill Lynch International Limited as Mezzanine Arranger and Original Mezzanine Lender, Elavon Financial Services Limited as Mezzanine Agent and U.S. Bank Trustees Limited as Mezzanine Security Agent (each as defined therein) as further amended, varied, novated or supplemented from time to time.

"Mezzanine Finance Documents" has the meaning given to it in the Intercreditor Agreement.

"Mezzanine Finance Parties" has the meaning given to the term "Finance Parties" in the Mezzanine Facility Agreement.

"Mezzanine Lender" has the meaning given to it in the Intercreditor Agreement.

"Mezzanine Obligor" has the meaning given to the term "Obligor" in the Mezzanine Facility Agreement.

"Mezzanine Transaction Security Document" has the meaning given to the term "Transaction Security Document" in the Mezzanine Facility Agreement.

"Mortgaged Property" means the freehold and leasehold property specified in Schedule 3 (*Mortgaged Property*).

"Obligor" means each of the Mezzanine Obligors and the Senior Obligors.

"Partnership" means The Curzon Hotel Properties Limited Partnership registered as a limited partnership under the Limited Partnerships Act 1907 with number LP11647.

"Partnership Deed" means the partnership deed dated 10 October 2006 between the Limited Partner(s) and the General Partner(s) constituting the Partnership (as amended by a deed of variation dated 3 July 2015).

"Partnership Interests" means all of each of the Limited Partner(s), the General Partner's and the Curzon Nominees' right, title, share and interest from time to time in and to the capital of the assets of the Partnership, the Partnership Documents and all Related Rights.

"Party" means a party to this Security Agreement.

"Real Property" means (including as provided in Clause 1.6 (*Real Property*)), the Mortgaged Property and any present or future freehold or leasehold or immoveable property and any other interest in land or buildings and all rights relating thereto in which any Chargor has an interest.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Security Assets and that term will include any appointee made under a joint or several appointment.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset;
- (d) any moneys and proceeds paid or payable in respect of that asset; and

- (e) in respect of the Partnership Interests, any profits, moneys, distributions and proceeds paid or payable in respect of that asset, including all dividends, interest and all other rights, benefits or proceeds derived from that asset (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

"Relevant Share" means any Share listed in Schedule 8 (*Relevant Shares*) and all Shares held by any Chargor from time to time in any Chargor incorporated in England and Wales and all of any Chargor's other present and future Shares in any member of the Group (under and as defined in the Senior Facility Agreement) incorporated in England and Wales for the time being.

"Scottish Assets" means all the assets and undertaking of each Chargor which are located in Scotland or otherwise governed by Scots law.

"Scottish Floating Charge" means any floating charge governed by Scots law granted by a Chargor in favour of the Common Security Agent as security for the Secured Liabilities.

"Secured Liabilities" has the meaning given to it in the Intercreditor Agreement.

"Secured Parties" has the meaning given to it in the Intercreditor Agreement.

"Security Assets" means each of the assets and undertaking of each Chargor which from time to time are, or are expressed to be, the subject of any Security created or expressed to be created by it in favour of the Common Security Agent by or pursuant to this Security Agreement.

"Security Document" means each Senior Transaction Security Document and each Mezzanine Transaction Security Document.

"Security Period" means the period beginning on the date of this Security Agreement and ending on the date on which the Secured Liabilities have been irrevocably and unconditionally paid or discharged in full.

"Senior Acceleration Event" means the giving of notice pursuant to clause 27.21 (*Acceleration*) of the Senior Facility Agreement.

"Senior Agent" means Elavon Financial Services Limited as agent for the other Senior Finance Parties.

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

"Senior Facility Agreement" means a facility agreement originally dated 28 February 2015 as amended and restated on 4 March 2016 between, amongst others, LSREF III Malin Investments Limited (formerly LSF Irish Holdings XLIV Limited) as the Original Borrower, the Guarantors (as defined therein), Bank of America Merrill Lynch International Limited as Arranger, Elavon Financial Services Limited as Agent, the Common Security Agent and the Lenders (each as defined therein) as further amended, varied, novated or supplemented from time to time.

"Senior Finance Documents" has the meaning given to it in the Intercreditor Agreement.

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

"Senior Holdco" means LSREF III Malin Midco Limited (formerly LSF Irish Holdings 61 Limited), a limited liability company incorporated in Ireland with company number 553822.

"Senior Lender" has the meaning given to it in the Intercreditor Agreement.

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

"Senior Transaction Security Document" has the meaning given to the term "Transaction Security Document" in the Senior Facility Agreement.

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

1.2 Terms defined in other Finance Documents

Unless defined in this Security Agreement, or the context otherwise requires, a term defined in the Intercreditor Agreement or the Senior Facility Agreement has the same meaning in this Security Agreement or any notice given under or in connection with this Security Agreement, as if all references in those defined terms to the Intercreditor Agreement, the Senior Facility Agreement or the Finance Documents were a reference to this Security Agreement or that notice.

1.3 Effect as a Deed

It is intended by the parties to this Security Agreement that this Security Agreement will take effect as a deed notwithstanding the fact that the Common Security Agent may only execute this Security Agreement under hand.

1.4 Construction

Clauses 1.2 (*Construction*) of the Intercreditor Agreement and clause 1.3 (*Currency symbols and definitions*) of the Senior Facility Agreement will apply as if incorporated in this Security Agreement or in any notice given under or in connection with this Security Agreement, as if all references in that Clause to the Intercreditor Agreement or the Senior Facility Agreement (as applicable) were a reference to this Security Agreement or that notice.

1.5 Application of provisions in Intercreditor Agreement

Each of the parties to this Security Agreement hereby acknowledges that in acting under this Security Agreement the Common Security Agent is entitled to the benefit of all protections and other provisions expressed to be in its favour as Common Security Agent as set out in the Intercreditor Agreement and that:

- (a) Clauses 1.4 (*Third party rights*), 10.3 (*Default interest*), 12.4 (*Break costs*), 14 (*Tax gross up and indemnities*), 15 (*Increased Costs*), 16 (*Other indemnities*), 18 (*Costs and expenses*), 28.1 (*Assignments and transfers by Lenders*), 30.1 (*Assignment and transfers by Obligors*), 34 (*Payment mechanics*), 35 (*Set-Off*), 37.1 (*Accounts*), 37.2 (*Certificates and determinations*), 40 (*Amendments and waivers*) of the Senior Facility Agreement are deemed to form part of this Security Agreement as if expressly incorporated into it and as if all references in those clauses to the Senior Facility Agreement were references to this Security Agreement; and
- (b) Clauses 23.1 (*Trust*), 23.23 (*Power supplemental*) and 30 (*Notices*) of the Intercreditor Agreement are deemed to form part of this Security Agreement as if expressly incorporated into it and as if all references in those clauses to the Intercreditor Agreement were references to this Security Agreement.

1.6 Real Property

A reference in this Security Agreement to a mortgage, assignment or charge of any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.

1.7 Present and future assets

- (a) A reference in this Security Agreement to any Mortgaged Property, Security Asset or other asset includes, unless the contrary intention appears, present and future Mortgaged Property, Security Assets and other assets.
- (b) The absence of or incomplete details of any Security Assets in any Schedule shall not affect the validity or enforceability of any Security under this Security Agreement.

1.8 Disposition of Property

The terms of the Intercreditor Agreement and each Finance Document and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Security Agreement and each other Finance Document to the extent required for any purported disposition of any Real Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.9 Fixed Security

- (a) Clauses 4.1 (*Mortgage*) to 4.3 (*Fixed charges*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Security Agreement and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Security Agreement or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.

- (b) Clauses 4.1 (*Mortgage*) to 4.3 (*Fixed Charge*) (inclusive) do not extend to assets which are validly secured in terms of a Fixed Scottish Security and shall not create mortgages, fixed charges or assignments by way of security over any asset validly secured pursuant to such Fixed Scottish Security.

1.10 No obligation

The Common Security Agent shall not be under any obligation in relation to the Security Assets as a consequence of this Security Agreement and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Security Assets.

1.11 Approvals, consents and rights of the Common Security Agent

References in this Security Agreement to the cooperation of, or to an approval, opinion, consent, discretion or requirement of the Common Security Agent means the cooperation of, or an approval, opinion, consent, direction or requirement of the Common Security Agent acting on the instructions of the Instructing Group pursuant to the Intercreditor Agreement, or as otherwise required by the Intercreditor Agreement.

2. COVENANT TO PAY

Each Chargor covenants with the Common Security Agent (as trustee for the Secured Parties) that it shall, on demand of the Common Security Agent pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms (which indemnified sums shall be treated as Secured Liabilities for the purposes of this Security Agreement).

3. COMMON PROVISIONS

3.1 Common provisions as to all Security

All the Security constituted by or pursuant to this Security Agreement is:

- (a) created with full title guarantee and, in relation to Scottish Assets, absolute warrandice;
- (b) created in favour of the Common Security Agent as trustee for the Secured Parties and the Common Security Agent shall hold the benefit of this Security Agreement and the Security created by or pursuant to it on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Secured Liabilities.

4. FIXED SECURITY

4.1 Mortgage

- (a) Each Chargor that is listed as the registered proprietor of freehold and/or leasehold property (as the case may be) specified in Schedule 3 (*Mortgaged Property*) charges, by way of first legal mortgage, its Mortgaged Property.
- (b) The Curzon Nominees who are listed as the registered proprietors of freehold and leasehold property specified in Schedule 3 (*Mortgaged Property*) charge, by way of first legal mortgage, their Mortgaged Property.

4.2 Assignment by way of Security

Each Chargor assigns and agrees to assign absolutely (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 4.1 (*Mortgage*) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same and subject to Clause 4.4 (*Excluded Assets*)), all of its right, title and interest from time to time in and to each of the following assets:

- (a) each of the Contracts to which it is a party (or otherwise benefitting that Chargor) and all notices and other documents given under or in connection with the Contracts and all Related Rights;
- (b) any agreements, contracts, deeds, leases, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefitting that Chargor in respect of the Real Property and all other Related Rights;
- (c) any sums paid or payable to or for the benefit of that Chargor arising from the letting, use or occupation of all or any part of any Real Property and all sums paid or payable and any other consideration given or to be given for the disposal of an interest in all or part of any Real Property or of any shares in any person which owns or whose subsidiary owns all or any part of any Real Property and the right to make demand for and receive the same;
- (d) any policy of insurance in which that Chargor may at any time have an interest and all proceeds paid or payable thereunder and all other Related Rights; and
- (e) any Hedging Agreement and all other Related Rights.

4.3 Fixed charges

Each Chargor charges (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 4.1 (*Mortgage*) or assigned pursuant to Clause 4.2 (*Assignment by way of Security*)) by way of first fixed charge, subject to Clause 4.4 (*Excluded Assets*), all of its rights, title and interest from time to time in and to each of the following assets:

- (a) the Real Property and all Related Rights;

- (b) each of the Collateral Warranties to which it is a party (or otherwise benefitting that Chargor) and all notices and other documents given under or in connection with the Collateral Warranties and all Related Rights;
- (c) any account maintained by that Chargor and designated as a capex reserve account, ff&e reserve account, debt service account, general account, holding account, mandatory prepayment account, cash trap account or operating account (and in each case, its interest in any replacement account or sub account or sub division of that account) and the debt or debts represented thereby and all other Related Rights;
- (d) each of its accounts with any bank, building society, financial institution or other person (including any replacement account or sub-division or sub-account of that account) and the debt or debts represented thereby and all other Related Rights;
- (e) each Development Document to which it is a party (or otherwise benefitting that Chargor) and all notices and other documents given under or in connection with each such Development Document and all Related Rights;
- (f) book and other debts and monetary claims owing to it and any proceeds of those debts and claims (including any claims or sums of money deriving from or in relation to any court order or judgment, the proceeds of any insurance policy, any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of that Chargor) and all Related Rights;
- (g) patents, trade marks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, know how and other intellectual property rights and interests to which it is entitled, whether registered or unregistered, the benefit of all applications and its rights to use such assets and all Related Rights;
- (h) plant, machinery, office equipment, computers, vehicles, furniture, fittings and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress) and all Related Rights;
- (i) goodwill and rights and claims in relation to its uncalled share capital;
- (j) rights to recover any VAT on any supplies made to it relating to the Security Assets and any sums so recovered;
- (k) the Relevant Shares and all dividends, interest and other moneys payable in respect of the Relevant Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise);
- (l) the Partnership Interests;
- (m) Investments and all Related Rights (including all rights against any trustee, nominee, fiduciary or clearance system in respect of those Investments but

excluding all Shares issued by any member of the Group that is not incorporated in England and Wales) to the extent not charged pursuant to (k) above;

- (n) the Inter-Company Loans, together with all Related Rights; and
- (o) each of the assets which are specified in Clause 4.2 (*Assignment by way of Security*).

4.4 Excluded Assets

The fixed Security from time to time constituted by this Security Agreement does not extend to any Chargor's interest in the Excluded Assets.

5. FLOATING CHARGE

5.1 Floating charge

- (a) Each Chargor charges, by way of first floating charge, all present and future assets and undertaking of that Chargor.
- (b) The floating charge created by paragraph (a) above shall be deferred in point of priority to (i) all fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Common Security Agent (as security trustee for the Secured Parties) as security for the Secured Liabilities; and (ii) any Scottish Floating Charge.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by paragraph (a) above.

5.2 Accounts

Without prejudice to the provisions of each Facility Agreement, the Parties agree that any Security granted or other interest created under this Security Agreement by a Chargor in favour of the Common Security Agent or any other Secured Party in respect of its General Account (or any account in respect of which a Chargor has sole signing rights in accordance with Clause 19 of the Senior Facility Agreement) or any amounts standing to the credit of its General Account (or any account in respect of which the Chargor has sole signing rights in accordance with Clause 19 of the Senior Facility Agreement) shall not, until the occurrence of an Event of Default which is continuing, prevent that Chargor from withdrawing any amounts standing to the credit of its General Account (or any account to which the Chargor has signing rights in accordance with Clause 19 of the Senior Facility Agreement).

5.3 Rights of the Chargors

Each Chargor shall remain entitled to exercise all of its rights, powers and discretions under or in relation to the Security Assets in each case so long as such exercise is not in breach of either Facility Agreement, unless and until an Acceleration Event has occurred and is continuing when all such rights, powers and discretions shall be

exercisable by, and notices shall be given to, the Common Security Agent or as it directs.

5.4 Conversion of floating charge to fixed Security

(a) The Common Security Agent may at any time, while this Security Agreement is enforceable in accordance with Clause 10 (*Enforcement of security*), by notice to any Chargor convert the floating charge constituted under Clause 5.1 (*Floating charge*) with immediate effect into a fixed charge as regards any asset other than an Excluded Asset which is the subject of the floating charge or which is specified in the notice if:

- (i) an Acceleration Event has occurred and is continuing; or
- (ii) the Common Security Agent reasonably considers that any of the Security Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (iii) the Common Security Agent reasonably considers that it is desirable in order to protect the priority of the Security.

(b) In addition, without prejudice to any law which may have a similar effect, the floating charge constituted under Clause 5.1 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge if:

- (i) any Chargor creates or attempts to create any Security (other than any Security permitted under the terms of each Facility Agreement), over any of the Security Assets;
- (ii) any person levies or attempts to levy any distress, execution or other process against any of the Security Assets;
- (iii) an Administration Event occurs;
- (iv) a Receiver is appointed over all or any of the Security Assets;
- (v) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of a Chargor or an administrator is appointed to a Chargor;
- (vi) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to a Chargor or files such a notice with the court;
- (vii) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor;
- (viii) a petition is presented for the compulsory winding-up of any Chargor;
- (ix) a provisional liquidator is appointed to any Chargor; or

- (x) a resolution is passed or an order is made for the dissolution or reorganisation of any Chargor,

or any analogous procedure or step is taken in any jurisdiction.

- (c) For the avoidance of doubt, but without prejudice to Clause 7 (*Further Assurance*), the provisions of this Clause 5.4 (*Conversion of floating charge to fixed security*) shall not apply to any of a Chargor's assets insofar as they are situated in or otherwise subject to the law of Scotland to the extent that the conversion by notice or automatic conversion provided for therein would not be recognised under the laws of Scotland.

6. PROVISIONS AS TO SECURITY AND PERFECTION

6.1 Negative pledge and restriction on dealings

Except where agreed in writing by the Common Security Agent or as permitted under the Finance Documents, no Chargor will at any time during the Security Period create or permit to subsist any Security over all or any part of the Security Assets or dispose of or otherwise deal with any part of the Security Assets.

6.2 Implied covenants for title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 4 (*Fixed Security*) or 5 (*Floating charge*).
- (b) It shall be implied in respect of Clauses 4 (*Fixed Security*) and 5 (*Floating charge*) that each Chargor is disposing of the Security Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

6.3 Notices of Security: Lease Documents and Insurances

- (a) Immediately:
 - (i) upon the date of this Security Agreement, in relation to:
 - (A) all Lease Documents and any other lease documents to which it is a party relating to the Real Property in existence on the date of this Security Agreement and pursuant to which a commercial rent is payable;
 - (B) all Headleases and any superior leases relating to the Real Property in existence on the date of this Security Agreement; and
 - (C) all Insurances in existence on the date of this Security Agreement; or

- (ii) if later, upon any Chargor entering into any of (A) to (C) above with any person or insurer (as applicable),

each Chargor will give notice to all landlords, tenants and other persons which are parties to such Lease Documents, Headleases, superior leases and other lease documents, and to all insurers party to any Insurances, of the Security constituted under this Security Agreement in respect of any such Lease Documents, Headleases, superior leases and other lease documents or Insurances, such notices being in the form set out in Part A of Schedule 4 (*Notice of security*).

- (b) Immediately upon the occurrence of an Event of Default which is continuing, in relation to all Lease Documents and any other lease documents relating to the Real Property in existence on that date (excluding any Lease Documents, other lease documents, Headleases or superior leases in respect of which notice has been served in accordance with paragraph (a) above), each Chargor will join the Security Agent in giving notice to all landlords, tenants and other persons which are parties to such Lease Documents or other lease documents, of the Security constituted under this Security Agreement in respect of any such Lease Document or other lease document, such notices being in the form set out in Part A of Schedule 4 (*Notice of security*).

6.4 Notices of Security: Manor Acquisition Documents

- (a) Each Chargor acknowledges the Security constituted under this Security Agreement and the Manor Security Agreement (a copy of which has been provided to each Chargor) in respect of each Manor Acquisition Document to which it is a party.
- (b) Immediately upon the date of this Security Agreement, in relation to each Manor Acquisition Document in existence on the date of this Security Agreement (other than any Manor Acquisition Document in respect of which (i) another Chargor or (ii) a Manor Chargor under the Manor Security Agreement is a party), each Chargor will give notice to all persons which are parties to such Manor Acquisition Documents, of the Security constituted under this Security Agreement in respect of such Manor Acquisition Documents, such notices being in the form set out in Part A of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).
- (c) Each Chargor will use reasonable endeavours to procure from each of the persons referred to in paragraph (b) above an acknowledgement in the form set out in Part B of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).

6.5 Notices of Security: Collateral Warranties and Development Documents

- (a) Immediately:
 - (i) upon the date of this Security Agreement, in relation to all Collateral Warranties set out in Schedule 2 (*Collateral Warranties*) and all

Development Documents to which a Chargor is a party or otherwise benefitting a Chargor as at the date of this Security Agreement; or

- (ii) if later, upon any Chargor entering into or otherwise benefitting from a Collateral Warranty or a Development Document,

each Chargor will give notice to all counterparties to such Collateral Warranties and Development Documents, of the Security constituted under this Security Agreement in respect of any such Collateral Warranties and Development Documents, such notices being in the form set out in Part A of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).

- (b) Each Chargor will use reasonable endeavours to procure from each of the persons referred to in paragraph (a) above an acknowledgement in the form set out in Part B of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).

6.6 Notice of Security: Accounts

- (a) Each Chargor will immediately upon the date of this Security Agreement in relation to each Account and each other account located in England and Wales maintained by it (other than the existing accounts referred to in the Dormant Accounts Schedule), or if later, upon the opening or reactivation of any other Account or any other account located in England and Wales, give notice to the relevant bank, building society, financial institution or other person of the charge constituted under this Security Agreement, the notice being in the form set out in Part A of Schedule 5 (*Notice of Security to Account Holding Bank*).
- (b) Each Chargor will procure from the relevant account holding bank or any other such bank, building society or other financial institution, an acknowledgement of receipt of such notice in the form set out in Part B of Schedule 6 (*Acknowledgement of Security by Account Bank*).

6.7 Notice of Security: Inter-Company Loans

- (a) Each Chargor acknowledges the security over the Inter-Company Loans in respect of which it is a debtor in accordance with this Agreement.
- (b) Immediately:
 - (i) upon the date of this Security Agreement, in relation to all Inter-Company Loans in existence on the date of this Security Agreement (other than any Inter-Company Loans in respect of which a Chargor is the relevant debtor); or
 - (ii) if later, upon any Chargor entering into an Inter-Company Loan with any person or an Inter-Company Loan arising with any person (other than any Inter-Company Loans in respect of which a Chargor is the relevant debtor),

each Chargor will give notice to all debtors in respect of such Inter-Company Loans which are governed by English law and/or in respect of which the relevant debtor is incorporated or formed in England and Wales, of the Security constituted under this Security Agreement in respect of any such Inter-Company Loans, such notices being in the form set out in Part A of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).

- (c) Each Chargor will procure from each debtor in respect of such Inter-Company Loans (which are governed by English law and/or are entered into by any relevant company incorporated in England and Wales) (other than any Inter-Company Loans in respect of which a Chargor is the relevant debtor), an acknowledgement of receipt of such notice in the form set out in Part B of Schedule 5 (*Acquisition Documents, Inter-Company Loans and Collateral Warranties*).

6.8 Notice of Security: Hedging Agreements

Promptly (and in any event within five Business Days) after entering into of any Hedging Agreement, each Chargor that is a party to such Hedging Agreement shall ensure delivery to the Common Security Agent of notices of security in the form set out in Schedule 7 (*Hedging Agreements*) (or in such other form as may be agreed by the Common Security Agent) duly executed by or on behalf of that Chargor and acknowledged by the relevant counterparty to such Hedging Agreement in the form set out in Schedule 7 (*Hedging Agreements*).

6.9 Notices of Security: other assets

- (a) Each Chargor shall give notices of assignment or charge (in such form as may be specified by the Common Security Agent) in respect of any Hotel Franchising Agreement, any Hotel Management Agreement, the Portfolio Agreement and any Services Agreement promptly upon the request of the Common Security Agent from time to time and will use all reasonable endeavours to procure from each recipient of those notices, an acknowledgement in a form reasonably satisfactory to the Common Security Agent.
- (b) In respect of each:
 - (i) Hotel Operating Document; and/or
 - (ii) management agreement, franchise agreement, portfolio agreement or services agreement in respect of a Hotel,

in each case, entered into between members of the Group, each Chargor that is a party to such Hotel Operating Document, management agreement, franchise agreement, portfolio agreement or services agreement acknowledges the Security granted in respect of such Hotel Operating Document, management agreement, franchise agreement, portfolio agreement or services agreement pursuant to this Security Agreement or any other Security Document.

6.10 Notice and acknowledgement of Charge and assignment: Opco Lease

- (a) Each Chargor that is a tenant under an Opco Lease hereby gives notice to each Chargor that is a landlord under the relevant Opco Lease that it has charged, by way of legal mortgage, all of its rights, title and interest in that Opco Lease in favour of the Common Security Agent.
- (b) Curzon Hotels (Operator) Limited hereby gives notice to each Chargor that is a landlord under each Opco Lease that it intends to assign its rights under that Opco Lease to the Chargor described in the definition of "Permitted Curzon Reorganisation Transaction" in the Senior Facility Agreement.
- (c) Each Chargor that is a landlord under an Opco Lease hereby consents to:
 - (i) each Chargor that is a tenant under an Opco Lease granting the Security referred to in paragraph (a) above; and
 - (ii) Curzon Hotels (Operator) Limited assigning its rights under the relevant Opco Lease as contemplated by paragraph (b) above in accordance with the definition of "Permitted Curzon Reorganisation Transaction" in the Senior Facility Agreement.

6.11 Acknowledgement by the Partnership

The General Partner, in its capacity as the general partner of the Partnership, accepts that its execution of this Security Agreement constitutes notice to the Partnership of each matter referred to herein, and agrees to and acknowledges each such matter (including the creation of the security interests) referred to herein on behalf of the Partnership.

6.12 Delivery of share certificates

Each Chargor shall:

- (a) immediately upon the execution of this Security Agreement, deposit with the Common Security Agent (or procure the deposit of):
 - (i) all certificates or other documents of title to the Relevant Shares and stock transfer forms (executed in blank by it or on its behalf); and
 - (ii) all certificates and other evidence of ownership of or entitlement to the Partnership Interests; and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Relevant Shares or the Partnership Interests (or upon acquiring any interest therein), notify the Common Security Agent of that occurrence and procure the delivery to the Common Security Agent of (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Common Security Agent may request.

6.13 Deposit of title deeds

Each Chargor shall:

- (a) immediately upon the execution of this Security Agreement (and upon the acquisition by it of any interest in any Security Asset at any time):
 - (i) deposit (or procure the deposit) with the Common Security Agent all deeds, certificates and other documents constituting or evidencing title to the Security Assets; or
 - (ii) procure that such deeds, certificates and other documents constituting or evidencing title to the Security Assets are held to the order of the Common Security Agent pursuant to a solicitors' undertaking in a form and substance satisfactory to the Common Security Agent; and
- (b) at any time thereafter:
 - (i) deposit with the Common Security Agent any further such deeds, certificates, instruments of transfer and other documents, promptly upon coming into possession of any of those items; or
 - (ii) procure that such deeds, certificates, instruments of transfer and other documents are held to the order of the Common Security Agent pursuant to a solicitors' undertaking in a form and substance satisfactory to the Common Security Agent promptly upon coming into possession of any of those items.

6.14 Application to the Land Registry

Each Chargor hereby consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property.

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [] referred to in the charges register or their conveyancer."

6.15 Further advances

- (a) Subject to the terms of each Facility Agreement, each Lender is under an obligation to make further advances to each Chargor and that obligation will be deemed to be incorporated in this Security Agreement as if set out in this Security Agreement.
- (b) Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Security Assets.

6.16 Loans

- (a) No Chargor shall take, or omit to take, any action which might result in (a) the alteration or impairment of any rights in the Inter-Company Loans, in each case, save as permitted under each Facility Agreement and the Intercreditor Agreement (b) any default of any of its obligations under any agreement documenting an Inter-Company Loan or in respect of any Inter-Company Loan, (c) any right to terminate any agreement documenting an Inter-Company Loan or any Inter-Company Loan becoming exercisable by any other party to that agreement, or (d) any counterclaims or rights of set-off arising under any agreement documenting an Inter-Company Loan or any Inter-Company Loan.
- (b) The Common Security Agent shall not be under any obligation in relation to any agreement documenting an Inter-Company Loan or any Inter-Company Loan as a consequence of this Agreement and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Inter-Company Loans and each agreement documenting an Inter-Company Loan.

7. FURTHER ASSURANCE

7.1 Further assurance

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) below.
- (b) Each Chargor shall promptly, at its own cost, do all such acts or execute all such documents (including assignments, assignations, transfers, mortgages, standard securities, charges, notarisations, registrations, notices and instructions) as the Common Security Agent may reasonably specify (and in such form as the Common Security Agent may reasonably require) in favour of the Common Security Agent or its nominee(s) to:
 - (i) create, perfect and/or protect the Security created or intended to be created in respect of the Security Assets in accordance with the rights vested in it under this Agreement (which may include the execution by that Chargor of a mortgage, standard security, charge or assignment over all or any of the assets constituting, or intended to constitute, Security Assets) or for the exercise of any of the rights, powers and remedies of the Common Security Agent provided by or pursuant to this Security Agreement or by law;
 - (ii) confer on the Common Security Agent Security over any asset or undertaking of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Security Agreement; and/or
 - (iii) while an Event of Default is continuing, facilitate the realisation of the Security Assets.

7.2 Necessary action

Each Chargor shall take all such action as is available to it (including making all filings and registrations and applying for relief against forfeiture) as may be necessary or as may reasonably be requested by the Common Security Agent for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Common Security Agent by or pursuant to this Security Agreement.

8. SHARES, INVESTMENTS AND PARTNERSHIP INTERESTS

8.1 Dividends prior to an Acceleration Event

Prior to the occurrence of an Acceleration Event (but subject to the restrictions contained in each Facility Agreement), each Chargor shall be entitled to receive all dividends, interest and other moneys arising from the Relevant Shares or Partnership Interests.

8.2 Dividends after an Acceleration Event

Upon the occurrence of an Acceleration Event, the Common Security Agent may, at its discretion, (in the name of the relevant Chargor or otherwise and without any further consent or authority from any Chargor) apply all dividends, interest and other moneys arising from the Relevant Shares or Partnership Interests as though they were the proceeds of sale in accordance with Clause 14 (*Application of Moneys*).

8.3 Voting rights prior to notice

Prior to the giving of notice pursuant to Clause 8.4 (*Voting rights after notice*), each Chargor shall be entitled to exercise all voting rights in relation to the Relevant Shares and Partnership Interests.

8.4 Voting rights after notice

Subject to Clause 8.5 (*Waiver of voting rights*), upon the occurrence of an Acceleration Event, the Common Security Agent may (but without having any obligation to do so) give notice to the relevant Chargor (with a copy to the Senior Agent and the Mezzanine Agent) that this Clause 8.4 will apply. With effect from the giving of that notice the Common Security Agent may, at its discretion, in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor:

- (a) compel performance of the Partnership Deed;
- (b) exercise (or refrain from exercising) any voting rights in respect of the Relevant Shares and/or Partnership Interests;
- (c) transfer the Relevant Shares or Partnership Interests into the name of the Common Security Agent or such nominee(s) of the Common Security Agent as it shall require; and

- (d) exercise (or refrain from exercising) (without limitation) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Relevant Shares or Partnership Interests, in each case in the manner and on the terms the Security Agent thinks fit, and the proceeds of any such action shall form part of the Relevant Shares or Partnership Interests, as applicable.

8.5 Waiver of voting rights

- (a) The Common Security Agent may, at any time in its absolute discretion and without any consent or authority from the Secured Parties or any Chargor, by notice to any relevant Chargor (which notice shall be irrevocable), with a copy to the Senior Agent and the Mezzanine Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Relevant Shares and/or Partnership Interests specified in that notice conferred or to be conferred on the Common Security Agent pursuant to Clause 8.4 (*Voting rights after notice*) or any other provision of this Security Agreement.
- (b) Once a notice has been issued by the Common Security Agent under paragraph (a) above, on and from the date of such notice the Common Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Relevant Shares and/or Partnership Interests conferred or to be conferred on it pursuant to Clause 8.4 (*Voting rights after notice*) or any other provision of this Security Agreement and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Shares and/or Partnership Interests (as applicable).

8.6 Shares and Partnership Interests: Voting rights

No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Relevant Shares or other Investments (including the Partnership Interests) in any manner which would reasonably be expected to have a material adverse effect on the value of, or the ability of the Common Security Agent to realise, the security created by this Security Agreement provided that the proceeds of any such action shall form part of the Relevant Shares or Partnership Interests (as applicable).

8.7 Investments, Shares and Partnership Interests: Payment of calls

The relevant Chargor shall pay when due all calls or other payments which may be or may become due in respect of any of the Relevant Shares or other Investments (including the Partnership Interests), and in any case of default by it in such payment, the Common Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Common Security Agent shall be reimbursed by each Chargor to the Common Security Agent on demand and shall carry interest from the date of payment by the Common Security Agent until reimbursed at the rate from time to time applicable to unpaid sums specified in each Facility Agreement.

9. ACCOUNTS

The Common Security Agent may, at any time on behalf of any Secured Party while this Security Agreement is enforceable in accordance with Clause 10 (*Enforcement of security*), without prior notice:

- (a) set-off, transfer or apply any Account and any other account which is the subject of the security created by this Security Agreement and any debt represented thereby in or towards satisfaction of all or any part of the Secured Liabilities; and
- (b) demand and receive all and any moneys due under or arising out of each Account which has been assigned by this Security Agreement and exercise all rights that any Chargor was then entitled to exercise in relation to that Account or might, but for the terms of this Security Agreement, exercise.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement

On and at any time after the occurrence of:

- (a) an Acceleration Event; or
- (b) an Administration Event; or
- (c) a request from any Chargor to the Common Security Agent that it exercise any of its powers under this Security Agreement,

the Security created by or pursuant to this Security Agreement is, immediately enforceable and the Common Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (i) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and
- (ii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Security Agreement) on mortgagees and by this Security Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

10.2 Effect of Moratorium

The Common Security Agent shall not be entitled to exercise its rights under Clause 10.1 (*Enforcement*) or Clause 5.4 (*Conversion of floating charge to fixed Security*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

11. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

11.1 Extension of powers

The power of sale or other disposal conferred on the Common Security Agent and on any Receiver by this Security Agreement shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Security Agreement.

11.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Security Agreement or to the exercise by the Common Security Agent of its right to consolidate all or any of the security created by or pursuant to this Security Agreement with any other security in existence at any time or to its power of sale pursuant to Clause 11.1 (*Extension of powers*) above, which powers arise on execution of this Security Agreement and which may be exercised by the Common Security Agent without notice to any Chargor on or at any time after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*).

11.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Common Security Agent at any time on or after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of Security*) and the Common Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with Sections 99 and 100 of the Law of Property Act 1925.
- (b) For the purposes of Sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any encumbrancer deriving title under any Chargor and neither Sub-section (18) of Section 99 nor Sub-section (12) of Section 100 of the Law of Property Act 1925 will apply.
- (c) No Chargor shall have, at any time during the Security Period, the power pursuant to Section 99 of the Law of Property Act 1925 to make any lease in respect of any Real Property without the prior written consent of the Common Security Agent or as permitted pursuant to the terms of each Facility Agreement.

11.4 Right of appropriation

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**") apply to a Security Asset, the Common Security Agent shall have the right to appropriate all or any part of that Security Asset in or towards the payment or discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the Chargors. For this purpose, a commercially reasonable method of valuing a Security Asset shall be:

- (a) in the case of cash, the amount standing to the credit of each Account or to the credit of any other account with any bank, building society, financial institution or otherwise, together with any accrued but unposted interest, at the time of appropriation; and
- (b) in the case of any Investments, Shares or Partnership Interests, their market value determined by the Common Security Agent by reference to a public index, independent valuation or by such other process as the Common Security Agent may select.

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

12. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

12.1 Appointment and removal

After the Security created by or pursuant to this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of security*), the Common Security Agent may by deed or otherwise (acting through an authorised officer of the Common Security Agent):

- (a) without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Security Assets; or
 - (ii) appoint two or more Receivers of separate parts of the Security Assets; or
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed; or
 - (iv) appoint another person(s) as an additional or replacement Receiver(s); or
 - (v) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; and
- (b) following notice to any relevant Chargor, appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

12.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 12.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Common Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Common Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

12.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Common Security Agent under the Law of Property Act 1925 (as extended by this Security Agreement) or otherwise and such powers shall remain exercisable from time to time by the Common Security Agent in respect of any part of the Security Assets.

13. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up, liquidation or dissolution of any Chargor) have and be entitled to exercise, in relation to the Security Assets (and any assets which, when got in, would be Security Assets in respect of which he was appointed), and as varied and extended by the provisions of this Security Agreement (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 and all the powers of a receiver set out in Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do; and

- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any rights, powers and remedies of the Common Security Agent provided by or pursuant to this Security Agreement or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Security Assets.

14. APPLICATION OF MONEYS

All moneys received or recovered and any non-cash recoveries made or received by the Common Security Agent or any Receiver pursuant to this Security Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Common Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of Clause 22 (*Application of proceeds*) of the Intercreditor Agreement.

15. PROTECTION OF PURCHASERS

15.1 Consideration

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

15.2 Protection of purchasers

No purchaser or other person dealing with the Common Security Agent, any Receiver or any of the Common Security Agent's or Receiver's delegates shall be bound to inquire whether the right of the Common Security Agent, such Receiver or such delegates to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Common Security Agent, such Receiver or such delegates in such dealings. No purchaser or other person dealing with any such delegate shall be concerned as to whether the delegation by the Common Security Agent or the Receiver (as applicable) pursuant to the terms of this Security Agreement shall have lapsed for any reason or been revoked.

16. POWER OF ATTORNEY

16.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Common Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on any Chargor by or pursuant to this Security Agreement or any other agreement binding on such Chargor to which the Common Security Agent is party (including the execution and delivery of any deeds, charges, assignments, standard securities, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the security created or intended to be created in respect of the Security Assets); and
- (b) enabling the Common Security Agent and any Receiver to exercise or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Security Agreement or by law (including, after this Security Agreement has become enforceable in accordance with Clause 10 (*Enforcement of security*), the exercise of any right of a heritable proprietor or legal or beneficial owner of the Security Assets).

16.2 Ratification

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

17. EFFECTIVENESS OF SECURITY

17.1 Continuing security

- (a) The Security created by or pursuant to this Security Agreement shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Common Security Agent in writing.
- (b) No part of the Security from time to time intended to be constituted by this Security Agreement will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

17.2 Cumulative rights

The Security created by or pursuant to this Security Agreement shall be cumulative, in addition to and independent of every other Security which the Common Security Agent or any Secured Party may at any time hold for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Common Security Agent (whether in its capacity as trustee or

otherwise) or any of the other Secured Parties over the whole or any part of the Security Assets shall merge into the Security constituted by this Security Agreement.

17.3 No prejudice

The Security created by or pursuant to this Security Agreement shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to each Chargor or any other person, by the Common Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Common Security Agent holds the security or by any other thing which might otherwise prejudice that Security.

17.4 Remedies and Waivers

No failure on the part of the Common Security Agent to exercise, nor any delay on its part in exercising, any right, power or remedy under this Security Agreement, shall operate as a waiver of that right, power or remedy or, power constitute an election to affirm this Security Agreement. No election to affirm this Security Agreement on the part of the Common Security Agent shall be effective unless it is in writing. The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any provided by law. No single or partial exercise of any right, power or remedy shall preclude any further or other exercise of that or any other right or remedy.

17.5 No liability

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

- (a) to account as a heritable creditor or mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Security Agreement or any neglect, default or omission in connection with the Security Assets or taking possession of or realising all or any part of the Security Assets,

except in the case of gross negligence or wilful default upon its part.

17.6 Partial invalidity

If, at any time, any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Security Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

17.7 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Security Agreement and the rights and remedies provided by this Security Agreement will not be affected by any act, omission, matter or thing which, but for this Clause 17.7, would reduce, release or prejudice any of its obligations under, or the Security created by, this Security Agreement and whether or not known to that Chargor or any Secured Party including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other documents);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; and
- (g) any insolvency or similar proceedings.

17.8 Chargor intent

Without prejudice to the generality of Clause 17.7 (*Waiver of Defences*), each Chargor expressly confirms that it intends that the Security created under this Security Agreement and the rights and remedies arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation

or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

17.9 Immediate recourse

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

17.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Security Agreement:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Security Agreement;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Secured Parties under this Security Agreement or of any other guarantee or Security taken pursuant to, or in connection with, this Security Agreement by any Secured Party
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor; or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If each Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Common Security Agent to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Obligors under or in connection with this Security Agreement to be repaid in full and shall promptly pay or transfer the same to the Common Security Agent or as the Common Security Agent may direct for application in accordance with Clause 14 (*Application of Moneys*).

18. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Security Assets or in case of exercise by the Common Security Agent or any Receiver of any power of sale under this Security Agreement, the Common

Security Agent may redeem such prior Security or procure the transfer thereof to itself.

- (b) The Common Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.
- (c) All principal moneys, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Common Security Agent (or as the Common Security Agent may direct in accordance with the Intercreditor Agreement) on demand together with accrued interest thereon as well as before judgment at the rate from time to time applicable to unpaid sums specified in each Facility Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment).

19. SUBSEQUENT SECURITY INTERESTS

If the Common Security Agent acting in its capacity as trustee or otherwise or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting all the Security Assets or any part of the Security Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of that Chargor to the Common Security Agent (or as the Common Security Agent may direct in accordance with the Intercreditor Agreement) (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by that Chargor) be credited or treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities at the time that notice was received.

20. SUSPENSE ACCOUNTS

All moneys received, recovered or realised by the Common Security Agent under this Security Agreement (including the proceeds of any conversion of currency) may in the discretion of the Common Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society, financial institution or other person as it considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Common Security Agent's discretion, in or towards the discharge of any of the Secured Liabilities and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

21. RELEASE OF SECURITY

21.1 Release of Security

Upon the expiry of the Security Period, the Common Security Agent must, at the request and cost of each Chargor, promptly release and cancel the security constituted by the Transaction Security Documents and procure the reassignment to that Chargor of the property and assets assigned to the Common Security Agent pursuant to the

Transaction Security Documents, in each case without recourse to, or any representation or warranty by, the Common Security Agent or any of its nominees.

21.2 Clawback

If the Common Security Agent reasonably considers (having taken legal advice) that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Security Agreement and the Security constituted by that document will continue and such amount will not be considered to have been irrevocably discharged.

22. DISCRETION AND DELEGATION

22.1 Discretion

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

22.2 Delegation

Each of the Common Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Security Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Common Security Agent or the Receiver itself.

23. EXCLUSION OF LEGISLATION

To the extent permitted, all BVI Legislation which (directly or indirectly):

- (a) lessens, varies or affects any obligation of a Chargor under this Security Agreement; or
- (b) delays, prevents or prejudicially affects the exercise by the Common Security Agent or any Receiver of any right, power or remedy under this Security Agreement,

is excluded from this Security Agreement.

24. GOVERNING LAW

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

25. JURISDICTION

25.1 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Security Agreement (including a dispute relating to the existence, validity or termination of this Security Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Security Agreement).

25.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

25.3 Exclusive Jurisdiction

This Clause 25 (*Jurisdiction*) is for the benefit of the Common Security Agent only. As a result and notwithstanding Clause 25.1 (*English Courts*), it does not prevent the Common Security Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Common Security Agent may take concurrent proceedings in any number of jurisdictions.

26. SERVICE OF PROCESS

Each Chargor agrees that the documents which start any proceedings in relation to this Security Agreement, and any other documents required to be served in connection with those proceedings, may be served on it by being delivered to:

- (a) in the case of any Chargor incorporated in England and Wales, at its registered office or place of business in England and Wales; and

- (b) in the case of any Chargor not incorporated in England and Wales, at Law Debenture Corporate Services Limited's address being, as at the date of this Agreement, Fifth Floor, 100 Wood Street London EC2V 7EX,

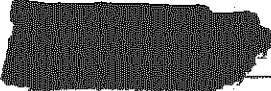
or, in each case, to such other address in England and Wales as each such Chargor may specify by notice in writing to the Common Security Agent or otherwise in accordance with Clause 37 (*Enforcement*) of the Intercreditor Agreement. Nothing in this paragraph shall affect the right of any Finance Party to serve process in any other manner permitted by law. This Clause applies to proceedings in England and proceedings elsewhere.

THIS SECURITY AGREEMENT has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by the Common Security Agent on the date written on the first page of this Security Agreement.

SIGNATORIES

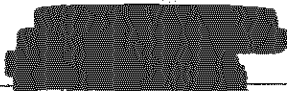
SIGNED AS A DEED on behalf of
CURZON HOTEL HOLDINGS LIMITED,
a company incorporated in the British Virgin Islands,

by Dawn Griffiths,
being a person who, in accordance with
the laws of that territory, is acting under the authority of the company.

Signature: 
Authorised Signatory

SIGNED AS A DEED on behalf of
CURZON HOTEL PROPERTIES LIMITED,
a company incorporated in the British Virgin Islands,

by Dawn Griffiths,
being a person who, in accordance with
the laws of that territory, is acting under the authority of the company.

Signature: 
Authorised Signatory

**SIGNED AS A DEED by
CURZON HOTELS (OPERATOR) LIMITED**

acting by its attorney
in the presence of:

[REDACTED]

)
)
) Robert Gray
)

Signature of witness:

[REDACTED]

Name (in BLOCK CAPITALS) MANINI KANT

Address: ONE BISHOPS SQUARE, LONDON

**SIGNED AS A DEED by
CURZON NOMINEES I LIMITED**

acting by its attorney
in the presence of:

[REDACTED]

)
)
) Robert Gray
)

Signature of witness:

[REDACTED]

Name (in BLOCK CAPITALS) MANINI KANT

Address: ONE BISHOPS SQUARE, LONDON

**SIGNED AS A DEED by
CURZON NOMINEES II LIMITED**

acting by its attorney
in the presence of:

[REDACTED]

)
)
) Robert Gray
)

Signature of witness:

[REDACTED]

Name (in BLOCK CAPITALS) MANINI KANT

Address: ONE BISHOPS SQUARE, LONDON

SIGNED AS A DEED by)
CURZON HOTEL PROPERTIES (GP) LIMITED)

acting by its attorney)
in the presence of:)

Robert Gray

Signature of witness:)

Name (in BLOCK CAPITALS) MANINI KANT

Address: ONE BISHOPS SQUARE, LONDON

SIGNED AS A DEED for and on behalf of)
THE CURZON HOTEL PROPERTIES LIMITED)
PARTNERSHIP by)
CURZON HOTEL PROPERTIES (GP) LIMITED)
the general partner of the partnership, acting as)
attorney for the partners of the partnership.)
acting by its attorney)
in the presence of:)

Robert Gray

Signature of witness:)

Name (in BLOCK CAPITALS) MANINI KANT

Address: ONE BISHOPS SQUARE, LONDON

Common Security Agent

Signed by
U.S. BANK TRUSTEES LIMITED
for and on its behalf
By two of its duly authorised
signatories

) [REDACTED]
) [REDACTED]
) [REDACTED]
) [REDACTED]
) [REDACTED]
Christopher Eastlake
Authorised Signatory
Amy Connolly
Authorised Signatory

**SCHEDULE 1
CHARGORS**

This is Schedule 1 referred to in the foregoing security agreement between the persons listed below (as Chargors) and U.S. Bank Trustees Limited (as Common Security Agent).

Name	Jurisdiction	Company Number
1. Curzon Hotel Holdings Limited	British Virgin Islands	1005417
2. Curzon Hotel Properties (GP) Limited	England	05931998
3. Curzon Hotel Properties Limited	British Virgin Islands	1005418
4. Curzon Hotels (Operator) Limited	England	06025036
5. Curzon Nominees I Limited	England	05934870
6. Curzon Nominees II Limited	England	05934875
7. Curzon Hotel Properties (GP) Limited acting as general partner of The Curzon Hotel Properties Limited Partnership	England	05931998

**SCHEDULE 2
COLLATERAL WARRANTIES**

No.	Collateral warranty	Parties	Date
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SCHEDULE 3
MORTGAGED PROPERTY

	Registered Proprietor	Property	Address of Property	Title Number
1.	Curzon Hotels (Operator) Limited	Bristol	The Thistle Hotel, Broad Street, Bristol (BS1 2EL)	BL99972
2.	Curzon Hotels (Operator) Limited Curzon Nominees I Limited and Curzon Nominees II Limited	Cardiff	Park Hotel, Park Place, Cardiff CF10 2BG. Park Hotel, Park Place, Cardiff (CF10 2BG) Land and Buildings on the East Side of Park Place, Cardiff.	CYM349408 WA102996 WA915174
3.	Curzon Hotels (Operator) Limited	Cheltenham	The Thistle Hotel, Gloucester Road, Cheltenham GL51 0TS	GR306239
4.	Curzon Nominees I Limited and Curzon Nominees II Limited Curzon Hotels (Operator) Limited	East Midlands	The Donington Thistle Hotel, Ashby Road, Castle Donington The Donington Thistle Hotel, Ashby Road, Castle Donington	LT197963 LT398971
5.	Curzon Hotels (Operator) Limited	Queen Street, Exeter	Thistle Hotel, Queen Street, Exeter (EX4 3SP)	DN551972
6.	Curzon Hotels (Operator) Limited	Haydock	The Thistle Hotel, The Beeches, Old Penny Lane, Haydock WA11 9SG	MS537951
7.	Curzon Hotels (Operator) Limited	Chapel Street, Liverpool	The Thistle Liverpool Hotel, Chapel Street, Liverpool L3 9RE	MS537959
8.	Curzon Hotels (Operator) Limited	Portland Street, Manchester	Basement Level Room, 3-5 Portland Street, Manchester M1 6DP The Thistle Hotel, Portland Street, Manchester	MAN123451 MAN85202
9.	Curzon Hotels (Operator) Limited	Middlesbrough	Jurys Inn Middlesbrough, Fry Street, Middlesbrough	CE196115

	Registered Proprietor	Property	Address of Property	Title Number
			TS1 1JH	
10.	Curzon Hotels (Operator) Limited	Neville Street, Newcastle	The Thistle Hotel, Neville Street, Newcastle-Upon-Tyne	TY459822
11.	Curzon Hotels (Operator) Limited	St Albans	Noke Thistle Hotel, Watford Road, St Albans, AL2 3DS	HD469193
12.	Curzon Hotels (Operator) Limited	Brands Hatch	The Thistle Brands Hatch Hotel, Gorse Hill, West Kingsdown DA3 8PE	K922275
13.	Curzon Nominees I Limited and Curzon Nominees II Limited	Kings Road, Brighton	Sub-basement, basement, lower ground, ground floor, first, second, third, fourth and fifth floor hotel being on the North side of King's Road.	ESX174676
	Curzon Hotels (Operator) Limited		The Brighton Thistle Hotel, Kings Road, Brighton BN1 2GS.	ESX305709

**SCHEDULE 4
LEASES AND INSURANCES**

**PART A
NOTICE OF SECURITY**

To: [Headlease holder/tenant/Insurer]

Date: []

Dear Sirs,

We give you notice that, by a Security Agreement dated [] (the "**Security Agreement**"), we created security by way of [equitable assignment] to U.S. Bank Trustees Limited (the "**Common Security Agent**") as trustee for the Secured Parties all our right, interests and benefits in, to and under [the [*describe Lease (date/term/parties/premises)*] dated [] between [] relating to [] (including all moneys payable thereunder and the proceeds of all claims and judgments for breach of covenant) (the "**Lease**").] **OR** [the [*describe Insurances*] policy number effected by us or whomsoever in relation to the risk to [*describe Property*] (including all moneys payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy of insurance (the "**Policy**").]

We will remain liable to perform all our obligations under the [Lease/Policy] and the Common Security Agent is under no obligation of any kind whatsoever under the [Lease/Policy] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the [Lease/Policy].

[*Insurances*: With effect from your receipt of this notice we irrevocably instruct and authorise you to:

1. make all payments and claims [in excess of £ []] under or arising from the Policy to the account called "[*Chargor Name*] - [Holding] Account", Account number [] sort code [].
2. note the interest of the Common Security Agent on the Policy; and
3. disclose to the Common Security Agent, without further approval from us, such information regarding the Policy as the Common Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.]

Please note that:

1. all remedies provided for under the [Lease/Policy] or available at law or in equity are exercisable by the Common Security Agent;
2. all rights to compel performance of the [Lease/Policy] are exercisable by the Common Security Agent; and
3. all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the [Lease/Policy] (including all rights to compel performance) belong to the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[*Chargor Name*]

SCHEDULE 5
ACQUISITION DOCUMENTS, INTER-COMPANY LOANS AND COLLATERAL
WARRANTIES

PART A
NOTICE OF SECURITY

To: [Contract counterparty]

Date: [] 2015

Dear Sirs,

We give you notice that, by a Security Agreement dated [] 2015 (the "**Security Agreement**"), we created security by way of [assignment/charge] in favour of U.S. Bank Trustees Limited (the "**Common Security Agent**") as trustee for the Secured Parties in respect of all our right, interests and benefits in, to and under the [*describe Acquisition Document, Inter-Company Loan or Collateral Warranty*] dated [] between [] relating to [] (including all moneys payable thereunder and the proceeds of all claims and judgments payable in relation thereto) (the "**Contract**").

We will remain liable to perform all our obligations under the Contract and the Common Security Agent is under no obligation of any kind whatsoever under the Contract nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Contract.

Please note that:

1. all remedies provided for under the Contract or available at law or in equity are exercisable by the Common Security Agent;
2. all rights to compel performance of the Contract are exercisable by the Common Security Agent; and
3. all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Contract (including all rights to compel performance) belong to the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales. Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

[Chargor Name]

PART B
ACKNOWLEDGEMENT OF NOTICE OF SECURITY

To: U.S. Bank Trustees Limited as Common Security Agent
Address: 125 Old Broad Street, London, EC2N 1AR
Fax: +44 207 365 2577
Attention: Loan Agency (loan.agency.London@usbank.com)

Date: [] 2015

Dear Sirs

1. We confirm receipt from [*Chargor Name*] (the "**Chargor**") of a notice dated [] 2015 of security created by way of [assignment/charge] upon the terms of a Security Agreement dated [] (the "**Security Agreement**") to U.S. Bank Trustees Limited (the "**Common Security Agent**") as trustee for the Secured Parties of all the Chargor's rights, interest and benefit in, to and under the Contract (as specified in that notice) to which we are a party.
2. We confirm that we have not received notice of:
 - (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice; or
 - (b) the interest of any third party in any of the rights, interests and benefits specified in such notice.
3. We further confirm that:
 - (a) no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Common Security Agent;
 - (b) the Hedging Agreement provides that we will send to the Common Security Agent copies of notices sent to the Chargor, and we agree to provide such notices to Common Security Agent;
 - (c) the Chargor will remain liable to perform all its obligations under the Contract and the Common Security Agent is under no obligation of any kind whatsoever under the Contract nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Contract; and
 - (d) no breach or default on the part of the Chargor of any of the terms of such Contract will be deemed to have occurred unless we have given notice of such breach to the Common Security Agent specifying how to make good such breach.
4. This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[*Contract counterparty*]

cc. [*Chargor Name*]

**SCHEDULE 6
ACCOUNTS**

**PART A
NOTICE OF SECURITY TO ACCOUNT BANK**

To: [Bank or other financial institution holding the Account]

Date: []

Dear Sirs

We give you notice that, by a Security Agreement dated [] (the "**Security Agreement**"), we created security by way of first fixed charge to U.S. Bank Trustees Limited (the "**Common Security Agent**") as trustee for the Secured Parties any accounts and all moneys (including interest) from time to time standing to the credit of those accounts with any bank, building society, financial institution or other person and the debt or debts represented thereby.

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

Account Name[s]: [Debt Service Account/Mandatory Prepayment Account/Cash Trap Account]¹ / [Operating Account/Capex Reserve Account/General Account]²

Sort Code[s]: []

Account No[s]: []

We irrevocably instruct and authorise you to disclose to the Common Security Agent without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to [any] account[s] maintained with you from time to time as the Common Security Agent may request you to disclose to it.

With effect from the date of your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the accounts belong to the Common Security Agent.

[Without prejudice to the foregoing, we may operate the Account at any time until such time as the Common Security Agent has informed you that an Event of Default (as defined in the Security Agreement) has occurred.]³

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales. Would you please confirm your agreement to the above by sending the enclosed acknowledgement to the Common Security Agent with a copy to us.

Yours faithfully

¹ Accounts in respect of which the Common Security Agent has signing rights (the "**Blocked Accounts**").

² Accounts in respect of which a Chargor has signing rights (the "**Unblocked Accounts**").

³ Include for Unblocked Accounts only.

[Chargor Name]

PART B
ACKNOWLEDGEMENT OF SECURITY BY ACCOUNT BANK

To: U.S. Bank Trustees Limited as Common Security Agent
Address: 125 Old Broad Street, London, EC2N 1AR
Fax: +44 207 365 2577
Attention: Loan Agency (loan.agency.London@usbank.com)

Date: []

Dear Sirs

We confirm receipt from [*Chargor Name*] (the "**Chargor**") of a notice dated [] of security created by way of first fixed charge upon the terms of a Security Agreement dated [] (the "**Security Agreement**") of all moneys (including interest) from time to time standing to the credit of the Chargor's account[s] (as specified therein) (the "**Account[s]**") which [is/are] maintained with us and the debt or debts represented thereby.

[We confirm that the balance standing to the Account[s] at today's date is [], no fees or periodic charges are payable in respect of the Account[s] and there are no restrictions on (a) the payment of the credit balance on the Account[s] [(except, in the case of a time deposit, the expiry of the relevant period)] or (b) the creation of Security over the Account[s] in favour of the Common Security Agent or any third party.]

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

We confirm that we have not received notice of the interest of any third party in [any of] the Account[s] and will not, without the Common Security Agent prior written consent, amend or vary any rights attaching to the Account[s].

[After we have received notice from you notifying us that an Event of Default (as defined in the Security Agreement) is continuing,]⁴ We will act only in accordance with the instructions given by persons authorised by the Common Security Agent and we shall send all statements and other notices given by us relating to the Account to the Common Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Bank or other financial institution holding the Account]

cc. [*Chargor Name*]

⁴ Include for Unblocked Accounts only.

**SCHEDULE 7
HEDGING AGREEMENTS**

**PART A
NOTICE OF ASSIGNMENT**

To: [Hedge Counterparty Name]

Date: []

Dear Sirs,

1. We hereby give you notice that we have created security by way of assignment to **U.S. Bank Trustees Limited** (the "Common Security Agent") pursuant to a security agreement entered into by us in favour of the Common Security Agent dated [] all our right, title and interest in and under [*details of relevant Hedging Agreement*] (including all monies payable thereunder, but subject to the application of any contractual rights of set-off or netting provided for thereunder) (the "**Hedging Agreement**").
2. We shall continue to be solely responsible for the performance of our obligations under or in connection with the Hedging Agreement.
3. With effect from the date of your receipt of this notice:
 - (a) all payments by you to us under or arising from the Hedging Agreement shall be paid to [*insert payment instructions/account details*], or otherwise at the direction of the Common Security Agent, as it may specify in writing from time to time. It is very important that you make all immediate arrangements for all sums payable by you under the Hedging Agreements to be paid to this account;
 - (b) all remedies provided for in the Hedging Agreement or available at law or in equity shall be exercisable by, or at the direction of, the Common Security Agent; and
 - (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising under the Hedging Agreements shall belong to the Common Security Agent,in each case, subject to the application of any contractual rights of set-off or netting provided for in the Hedging Agreement.
4. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Common Security Agent at [] marked for the attention of [].
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the laws of England and Wales.

Yours faithfully,

For and on behalf of

[*Chargor Name*]

PART B
ACKNOWLEDGEMENT OF ASSIGNMENT

To: U.S. Bank Trustees Limited as Common Security Agent
Address: 125 Old Broad Street, London, EC2N 1AR
Fax: +44 207 365 2577
Attention: Loan Agency (loan.agency.London@usbank.com)

Date: []

Dear Sirs

We confirm receipt from [*relevant Chargor*] (the "**Chargor**") of a notice dated [] of security created by way of assignment upon the terms of a Security Agreement dated [] (the "**Security Agreement**") to U.S. Bank Trustees Limited (the "**Common Security Agent**") as trustee for the Secured Parties of all the Chargor's right, interest and benefit in, to and under the Hedging Agreement (but subject to the application of any contractual rights of set-off or netting provided for in the Hedging Agreement) (as specified in that notice) to which we are a party.

We confirm that we have not received notice of:

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice; or
- (b) the interest of any third party in any of the rights, interests and benefits specified in such notice,

and will make all payments [to the account][as] specified in that notice.

We further acknowledge the following limitations placed on the Chargor under the Senior Facility Agreement (as defined in the Security Agreement):

- 1. no amendment, waiver or release of any rights, interests and benefits arising under the Hedging Agreement will be effective without the prior written consent of the Common Security Agent; and
- 2. the right to exercise certain rights, interests or benefits (including certain termination rights) is subject to clause 8.4 (*Hedging Arrangement*) of the Senior Facility Agreement (as defined in the Security Agreement).

We also further acknowledge that:

- 3. no termination of such rights, interests or benefits will be effective unless we have given the Common Security Agent 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination; and
- 4. the Chargor will remain liable to perform all its obligations under the Hedging Agreement and the Common Security Agent is under no obligation of any kind whatsoever under the Hedging Agreement nor under any liability whatsoever in the

event of any failure by the Chargor to perform its obligations under the Hedging Agreement.

We confirm that we have made all necessary arrangements for all future payments payable under such Hedging Agreement to be made into the account specified in the notice.

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt, provided, however, the foregoing shall not apply to and shall be subject to the application of any contractual rights of set-off or netting provided for in the Hedging Agreement.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully

[Hedge Counterparty]

cc. [*Chargor Name*]

**SCHEDULE 8
RELEVANT SHARES**

Chargor	Share issuer	Number of shares	Class
Curzon Hotel Holdings Limited	Curzon Hotels (Operator) Limited	78,713,002	Ordinary
Curzon Hotel Holdings Limited	Curzon Hotel Properties (GP) Limited	2	Ordinary
Curzon Properties Limited	Curzon Nominees I Limited	2	Ordinary
Curzon Properties Limited	Curzon Nominees II Limited	2	Ordinary

**SCHEDULE 9
MANOR CHARGORS**

Name	Jurisdiction	Company Number
1. LSREF III Manor Holdings Designated Activity Company	Ireland	575727
2. LSREF III MER Manor Designated Activity Company	Ireland	575726
3. Jurys Cork Holdings Designated Activity Company	Ireland	575997
4. Jurys Cork CP Designated Activity Company	Ireland	575998
5. Glasgow Manor Operations Limited	England	09819532
6. Hotel Collection Hotel No. 1 Limited	England	09173742
7. Hotel Collection Hotel No. 4 Limited	England	09174106
8. Hotel Collection Hotel No. 2 Limited	England	09173889
9. Marlow Hotel Company Limited	England	04078323
10. Mango Hotels Limited	England	04092192
11. Hotel Collection Hotel No. 5 Limited	England	09174110
12. Hotel Collection Hotel No. 12 Limited	England	09173883
13. MER Manor Operations Limited	England	09846430
14. Jyrus Glasgow B.V.	Netherlands	65189981
15. Jyrus Cardiff B.V.	Netherlands	65189450
16. Jyrus Inverness B.V.	Netherlands	65189493
17. Jyrus Cheltenham B.V.	Netherlands	65189795
18. Jyrus Middlesbrough B.V.	Netherlands	65189841
19. Jyrus East Midlands B.V.	Netherlands	65189531
20. Jyrus Brighton B.V.	Netherlands	65189787
21. MER Caledonian B.V.	Netherlands	65190998
22. MER Haydock B.V.	Netherlands	65191498

Name	Jurisdiction	Company Number
23. MER Exeter B.V.	Netherlands	65190807
24. MER Bristol B.V.	Netherlands	65190890
25. MER Manchester B.V.	Netherlands	65191226
26. MER Atlantic B.V.	Netherlands	65191013
27. MER Newcastle B.V.	Netherlands	65191137
28. MER Brands Hatch B.V.	Netherlands	65191382
29. MER St Albans B.V.	Netherlands	65190963