

MR01

Particulars of a charge

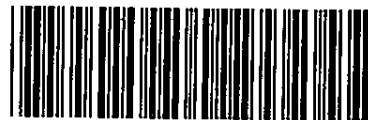
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WEDNESDAY



A06 \*A42FVP1U\* 04/03/2015 #291  
COMPANIES HOUSE

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☐ **What this form is NOT for**  
You may not use this form to  
register a charge where the charge  
instrument Use form MR02

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

**1 Company details**

Company number 05990905

Company name in full Malmaison and Hotel du Vin Property Holdings  
Limited

0024 For official use

→ **Filing in this form**  
Please complete in typescript or in  
bold black capitals  
All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 02/07/2015

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name The Royal Bank of Scotland plc in its capacity as  
security agent and security trustee for the Finance

Name Parties (as defined in the accompanying copy  
instrument)

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

# MR01

## Particulars of a charge

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### Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

All present and future freehold or leasehold land including the leasehold land at Cannizaro House, West Side Common, Wimbledon, London SW19 4UE and having title number SGL466530 as set out in clause 3 2 of the accompanying copy instrument

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

### Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

### Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

### Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

### Trustee statement <sup>1</sup>

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06)

9

### Signature

Please sign the form here

Signature

Signature

X Simmons & Simmons LLP X  
JEH 0303.15

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record

Contact name J Fenton-Holt (003079-00902)

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode E C 2 Y 9 S S

Country United Kingdom

DX DX Box No 12 Chancery Lane London

Telephone 020 7825 4143



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank



### Checklist

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following**

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



### Important information

Please note that all information on this form will appear on the public record



### How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



### Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below

**For companies registered in England and Wales**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 5990905

Charge code: 0599 0905 0024

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th February 2015 and created by MALMAISON AND HOTEL DU VIN PROPERTY HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th March 2015

Dx

Given at Companies House, Cardiff on 11th March 2015



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

WE CERTIFY THAT THIS COPY  
INSTRUMENT IS A CORRECT COPY  
OF THE ORIGINAL INSTRUMENT.

*Simmons & Simmons LLP*  
Signed (firm name)

*SEHI*  
Initials of Signatory

*03-03-15*  
Dated (DD/MM/YY)

Execution Version

# Legal Mortgage

between

Malmaison and Hotel du Vin Property Holdings Limited  
as Chargor

and

The Royal Bank of Scotland plc  
as Security Agent

relating to

the property known as Cannizaro House

**Simmons & Simmons**

Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS United Kingdom  
T +44 20 7628 2020 F +44 20 7628 2070 DX Box No 12

35313052 02

(S)

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**THIS DEED** is dated  
made

27 February

2015 and

**BETWEEN:**

- (1) **MALMAISON AND HOTEL DU VIN PROPERTY HOLDINGS LIMITED** (company number 05990905) (the "Chargor"), and
- (2) **THE ROYAL BANK OF SCOTLAND PLC**, (the "Security Agent"), which expression includes its successors and assigns, as security agent and security trustee for the Finance Parties

**BACKGROUND.**

The Lenders have agreed to make available to the Borrower loan facilities in accordance with the terms of the Finance Documents

**IT IS AGREED** as follows

**1 Interpretation**

**1.1 Definitions**

Terms defined in the Facilities Agreement have the same meaning when used in this Deed unless given a different meaning in this Deed, and in this Deed

"Acceleration Event" means service of a notice by the Agent under clause 25.20 (*Acceleration*) of the Facilities Agreement

"Agreement for Lease" means an agreement to grant an Occupational Lease for all or part of a Property

"Authorisation" means any authorisation, consent, approval, resolution, Licence, exemption, filing, notarisation or legislation

"Borrower" means Malmaison and Hotel du Vin Property Holdings Limited (company number 5990905)

"Delegate" means any delegate, agent, attorney, co-trustee or sub-delegate appointed under clause 13 (*Delegation*)

"Equipment" means all plant and machinery, fixtures, fittings, furniture, furnishings, equipment and chattels, including any manuals in relation to the same

"Existing Debentures" means the debentures dated 1 April 2014 and 30 June 2014 granted by, amongst others, the Borrower in favour of the Security Trustee

"Facilities Agreement" means the facilities agreement dated 1 April 2014 between, amongst others, the Borrower and The Royal Bank of Scotland plc as original lender, arranger, agent and security agent, as amended and updated by the Supplemental Letter as such agreement may be amended, restated, supplemented or novated from time to time

"FF&E" means all furniture, furnishings and equipment generally understood within the hotel industry as comprising "FF&E" including but not limited to wall coverings, decorations, works of art, carpets, curtains, glassware, crockery, cutlery, blankets, bed coverings, linen, chattels, kitchen equipment, fixtures and equipment and systems located, at or used in connection with the Mortgaged Property and hotel business carried on at the Mortgaged Property, together with all replacements thereof and additions thereto

"Finance Document" has the meaning given in the Facilities Agreement

"Hotel Management Agreement" has the meaning given in the Facilities Agreement

"LPA" means the Law of Property Act 1925

"Lease Document" means

- (A) an Agreement for Lease,
- (B) an Occupational Lease, or
- (C) any other document designated as such by the Chargor and the Security Agent

"Licence" means each and all of the grants, authorities, licences (including casino and alcohol licences), quotas, certificates, justices and excise licences, now or in future attached to the Security Assets and/or the business of any Chargor

"Mortgaged Property" means the property listed in Schedule 1 (*Mortgaged Property*)

"Obligor" means any one or more of the Borrower and Guarantors

"Occupational Lease" means any lease (including any operating intra-company lease), licence, tenancy or other right of occupation or right to receive rent (in each case howsoever described and whether on a fixed term or periodic basis) to which a Property may at any time be subject and includes any guarantee of a tenant's obligations under the same. For the avoidance of doubt, "Occupational Lease" does not include any licence or right to occupy any bedrooms at any hotel operated at any Property in accordance with the usual day-to-day operation of a hotel business

"Party" means a party to this Deed

"Receiver" means any one or more receiver, administrator, receiver and manager or administrative receiver appointed by the Security Agent under this Deed, whether sole, joint and/or several and including any substitute

"Related Rights" means, in relation to any asset

- (A) the proceeds of sale 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, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset,

- (D) all monies and proceeds paid or payable in respect of that asset,
- (E) in relation to a property, each and every part of that property, including the land, cellars, eaves, buildings, structures, fixtures and fittings (including such trade fixtures and fittings, furnishings and Equipment in which the Chargor has an interest) now or in the future on that property and all easements and other rights attaching to that property, and
- (F) in relation to a property, the benefit of any undertakings, servitudes, covenants or warranties in respect of that property or any moneys paid or payable in respect of those undertakings, servitudes, covenants or warranties,

including all rights against any trustee, nominee, fiduciary or clearing system

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of any Obligor in connection with (i) the letting, licence or grant of other rights of use or occupation of any part of a Property, or (ii) any Lease Document in respect of a Property, including each of the following amounts

- (A) rent, licence fees and equivalent amounts paid or payable,
- (B) any sum received or receivable from any deposit held as security for performance of a tenant's obligations,
- (C) a sum equal to any apportionment of rent allowed in favour of any Obligor,
- (D) any other moneys paid or payable in respect of occupation and/or usage of that Property and any fixture and fitting on that Property including any fixture or fitting on that Property for display or advertisement, on licence or otherwise,
- (E) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent,
- (F) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of any Lease Document,
- (G) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document,
- (H) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document,
- (I) any Tenant Contributions, and
- (J) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by any Obligor

"Secured Liabilities" means all present and future obligations and liabilities due, owing or incurred (whether actual or contingent and whether due, arising or incurred

jointly or severally or in any other capacity whatsoever) by any one or more of the Borrower and/or the Obligors (as defined in the Facilities Agreement) to any Secured Party under any Finance Document as such Finance Document may be amended, supplemented or varied from time to time

"Secured Party" means a Finance Party, a Receiver or any Delegate

"Security Assets" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated

"Supplemental Letter" means a supplemental letter dated 30 June 2014 addressed to the Parent from the Original Lenders and the Agent which updates and amends various clauses of the Facilities Agreement

"Tenant Contributions" means any amount paid or payable to an Obligor by any tenant under a Lease Document or any other occupier of a Property, by way of

- (A) contribution to
  - (1) ground rent,
  - (2) insurance premia,
  - (3) the cost of an insurance valuation,
  - (4) a service or other charge in respect of an Obligor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, a Property, or
  - (5) a reserve or sinking fund, or
- (B) VAT

## 1 2 Construction

- (A) The provisions of clause 1 2 (*Construction*) of the Facilities Agreement shall apply, with any necessary amendments, in this Deed
- (B) Any reference in this Deed to the "Chargor", the "Security Agent", or any other person shall be construed so as to include its successors in title, permitted assigns or assignees and permitted transferees to, or of, its rights and/or obligations under the Finance Documents (as relevant) and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facilities Agreement

### **1 3 Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

### **1 4 Third party rights**

- (A) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed
- (B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time
- (C) Any Receiver, Delegate, Finance Party or any officer, employee or agent of such Receiver, Delegate or Finance Party may, subject to this sub-clause and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it

### **1 5 Related Rights**

A reference in this Deed to any Security Asset includes all Related Rights in respect of that Security Asset and a reference in this Deed to any mortgage, charge or assignment of any Security Asset shall include all Related Rights in respect of that Security Asset

### **1 6 Execution**

It is intended that this document takes effect as a deed even though a Party may only execute it under hand

### **1 7 Benefit**

The provisions of this Deed are for the benefit of the Security Agent as security agent and as security trustee for and on behalf of the Finance Parties

## **2 Covenant to pay**

The Chargor shall pay and discharge each of the Secured Liabilities when due

## **3 Creation of Security**

### **3 1 Security generally**

All the Security created, or expressed to be created, under or pursuant to this Deed is

- (A) created in favour of the Security Agent,

- (B) except in the case of assets which are the subject of a legal mortgage under this Deed, created over the present and future assets of the Chargor,
- (C) security for the payment and discharge of all the Secured Liabilities, and
- (D) made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

### **3 2 Land**

The Chargor

- (A) charges by way of a first legal mortgage all estates or interests in the Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that Mortgaged Property,
- (B) charges (to the extent that they are not the subject of a legal mortgage under clause 3 2(A) or the subject of Security granted by the Chargor under any of the Existing Debentures) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property, and
- (C) charges all Related Rights in respect of the above

### **3 3 Lease Documents and Rental Income**

The Chargor assigns absolutely to the Security Agent all of its rights and interests in and to each Lease Document (including all Rental Income and any guarantee of Rental Income contained in or relating to any Lease Document)

### **3 4 FF&E**

The Chargor charges by way of first fixed charge all FF&E, its interest in any FF&E in its possession and the benefit of all related Authorisations, agreements and warranties

### **3 5 Authorisations**

The Chargor charges by way of first fixed charge the benefit of all Authorisations held now or in the future by it in relation to any Security Asset

### **3 6 Trust**

- (A) Subject to clause 3 6(B), if or to the extent that for any reason the charging of any Security Asset is prohibited, the Chargor shall hold it on trust for the Security Agent
- (B) If the reason referred to in clause 3 6(A) is that
  - (1) a consent or waiver must be obtained, or
  - (2) a condition must be satisfied,

then

- (a) subject to clause 3 6(C), the Chargor shall apply for the consent or waiver, and
- (b) the Chargor shall use all reasonable endeavours to satisfy the condition,

in each case as soon as reasonably practicable

- (C) Where the consent or waiver is not to be unreasonably withheld, the Chargor shall
  - (1) use all reasonable endeavours to obtain it as soon as possible, and
  - (2) keep the Security Agent informed of the progress of the negotiations to obtain it
- (D) On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged or charged (as appropriate) under this clause 3 and, in relation to such Security Asset, the trust referred to in clause 3 6(A) shall terminate

#### **4 Continuing Security**

##### **4 1 Continuing Security**

The Security created, or expressed to be created, by this Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

##### **4 2 Additional security**

The Security created, or expressed to be created, by this Deed

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party, and
- (B) may be enforced against the Chargor without having recourse to any other rights of any Finance Party

##### **4 3 Survival of obligations**

The payment obligations of the Chargor under the Finance Documents shall survive the enforcement of the whole or any part of the Security Assets

#### **5 Perfection**

##### **5 1 Land**

In the case of the Chargor's Mortgaged Property, the Chargor or the Chargor's legal advisors shall

- (A) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed,
- (B) at the same time as the application referred to in clause 5 1(A) submit to the Land Registry the duly completed form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction on the register of title to that freehold or leasehold property  
  

"No disposition of the registered estate by the propnetor 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 The Royal Bank of Scotland plc referred to in the Charges Register (or its conveyancer) ",
- (C) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Security Assets, and
- (D) promptly pay all appropriate registration fees

## **5 2 Notices of charge or assignment**

The Chargor shall following an Event of Default that is continuing promptly serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed on any tenant or counterparty under any Lease Document who is not a chargor under a Finance Document

## **6 Further assurance**

6 1 The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices (provided that it is not inconsistent with the terms of clause 5 2 (*Notices of charge or assignment*) and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)) in relation to the Security Assets located in the United Kingdom

- (A) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law, and/or
- (B) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created or expressed to be created by this Deed

## **7 Restrictions on dealing**

### **7 1 Security**

The Chargor shall not create or permit to subsist any Security over any Security Asset, other than any Security permitted by the Finance Documents



## **7 2 Disposals**

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset except as permitted by the Finance Documents

## **1 2 Lease Documents**

While no Acceleration Event is continuing and subject to the terms of the Facilities Agreement, the Chargor may exercise all its rights in respect of the Lease Documents (in each case to which it is a party) including receiving and exercising all rights relating to proceeds of those Lease Documents

## **8 Representations**

8 1 The Chargor represents and warrants to the Security Agent (for the benefit of each Finance Party) on the date of this Deed that

- (A) subject to the Legal Reservations, this Deed is not liable to be avoided or set aside on its liquidation, administration or otherwise, and
- (B) it is (following the completion of the transactions envisaged by the Reorganisation Documents (as defined in the Supplement Letter)) the absolute legal and beneficial owner of all the assets over which this Deed purports to create any Security

## **9 Enforcement of Security**

### **9 1 Trigger for enforcement**

The Security created or expressed to be created by this Deed shall be immediately enforceable if

- (A) an Acceleration Event occurs, or
- (B) the Chargor requests the Security Agent to appoint a Receiver over the whole or any part of its undertaking and assets

### **9 2 Power of sale**

- (A) At any time after the Security created by the Chargor under this Deed has become enforceable, the Security Agent shall be entitled, without prior notice to the Chargor or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit)
- (B) The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed but the Security Agent shall not exercise such power of sale or other powers under section 101 of the LPA until the occurrence of an Acceleration Event

**9 3 Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

**9 4 Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

**9 5 No liability as mortgagee in possession**

Neither the Security Agent, nor a Receiver nor any Delegate is

- (A) liable to account as mortgagee or security holder in possession in respect of the Security Assets, nor
- (B) liable for any loss upon realisation or exercise of any power, authority or right of the Security Agent, a Receiver or any Delegate arising under this Deed, nor for any act, default, neglect, or misconduct of any nature whatsoever,

except in the case of gross negligence or wilful misconduct on the part of that person

**9 6 Possession**

If the Security Agent or a Receiver enters into possession of the Security Assets, such person may at any time go out of possession at the discretion of such person

**9 7 Privileges**

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA

**9 8 No duty to enquire**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable,
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or
- (D) as to the application of any money borrowed or raised

**9 9 Protection to purchasers**

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc ) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall

apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate

#### **9 10 Financial collateral arrangements**

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations") apply to any Security Asset, the Security Agent shall have the right at any time after the Security created by a Chargor under this Deed has become enforceable to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities. The value of each Security Asset appropriated in accordance with this clause shall be, in the case of cash, the amount of the cash appropriated, and, in the case of any Shares, their market value as determined by the Security Agent by reference to a public index or independent valuation or by such other process as the Security Agent may select acting in accordance with its duties. The Chargor agrees that the method of valuation provided for in this clause 9 10 is commercially reasonable for the purposes of the Regulations

#### **10 Receiver**

##### **10 1 Appointment of Receiver**

Following the occurrence of an Acceleration Event or upon receipt of request from the Chargor for the Security Agent to appoint a Receiver, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Security Assets pursuant to this Deed and subject to any applicable insolvency law

- (A) the Security Agent may, by writing under the hand of any authorised officer of the Security Agent, appoint a Receiver in relation to the Security Assets,
- (B) subject to the Insolvency Act the Security Agent may, from time to time, in similar manner, remove a Receiver and appoint another in his place;
- (C) the Security Agent may, either at the time of appointment or at any time thereafter, fix the remuneration of a Receiver,
- (D) the Security Agent and any agent or nominee wherever situated may, without further notice, exercise in respect of all or any part of any shares and their Related Assets subject to the Security created by this Deed all the powers and rights exercisable by the registered holder of such shares and their Related Assets and all other powers conferred on mortgagees by the LPA as varied or extended by this Deed, and
- (E) the Security Agent and any agent or nominee wherever situated may apply any dividends, interest or other payments received or receivable by the Security Agent or by such nominee in respect of the shares and their Related Assets subject to the Security created by this Deed as if they were proceeds of sale

None of the restrictions imposed by the LPA in relation to the appointment of receivers, the giving of notice or otherwise shall apply

## **10 2 Moratorium**

The Security Agent may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986

## **10 3 Delegation by Receiver**

A Receiver may from time to time delegate, by power of attorney or otherwise, to any person any of his powers and discretions, whether arising by statute, the provisions of this Deed or otherwise, upon such terms and for such periods of time as he may in his discretion think fit and may from time to time terminate any such delegation. The Security Agent shall not be liable for any loss or damage arising from any such delegate's act, default, neglect or misconduct of any nature whatsoever

## **11 Powers of Receiver**

### **11 1 General powers**

A Receiver has all the powers to do or abstain from doing anything which the Chargor could do or abstain from doing in relation to the Security Assets including, without limitation, the powers and discretions set out below in this clause, the powers conferred by Section 109 of the LPA (Appointment, powers, remuneration and duties of receivers) and, in the case of a Receiver who is an administrative receiver, the powers conferred by Section 29 of the Insolvency Act (Definitions) and Schedule 1 (Powers of administrator or administrative receiver) to the Insolvency Act

### **11 2 Possession**

A Receiver may take immediate possession of, get in and collect any Security Asset

### **11 3 Carry on business**

A Receiver may carry on, manage or concur in carrying on managing the whole or any part of the business of the Chargor as he may in his discretion think fit including without limitation operation of any of the Mortgaged Property in the context of running a hotel business and all ancillary acts in conjunction with such operation including performance of any Hotel Management Agreements entered into by the Chargor with any third party and/or entry into any new Hotel Management Agreement of behalf of the Chargor with a third party

### **11 4 Dealings with Security Assets**

A Receiver may, in each such case in such manner and generally on such terms as he may in his discretion think fit

- (A) manage, insure, repair, decorate, maintain, alter, improve, renew or add to the Security Assets or concur in so doing,
- (B) commence or complete any building operations on any of the Mortgaged Property, and
- (C) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

including entry into any agreement, deed or contract in relation to any of the above

#### **11 5 Sale of Security Assets**

- (A) A Receiver may sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he may in his discretion think fit
- (B) Without prejudice to the generality of paragraph (A) above, a Receiver may do any of these things for any valuable consideration, including, without limitation, cash, shares, stock, debentures or other obligations Any such consideration may be payable in a lump sum or by instalments spread over such period as a Receiver may in his discretion think fit
- (C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the Mortgaged Property containing them without the consent of the Chargor

#### **11 6 Mortgaged Property**

- (A) A Receiver may, in each such case in such manner and generally on such terms as a Receiver may in his discretion think fit, with all the powers of an absolute beneficial owner
  - (1) let, hire or lease (with or without premium) any Mortgaged Property and accept surrenders or renunciations of leases or tenancies or concur in so doing,
  - (2) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of any of the Mortgaged Property, and
  - (3) exchange or concur in exchanging any of the Mortgaged Property
- (B) A Receiver may exercise any such power in paragraph (A) above by effecting such transaction in the name or on behalf of the Chargor or otherwise
- (C) Without any further consent by or notice to the Chargor, a Receiver may exercise all the powers and provisions conferred on a landlord or a tenant by any legislation in force
- (D) A Receiver may make allowances to, and re-arrangements with, any person occupying the whole or any part of the Mortgaged Property, and negotiate and agree, or refer to arbitration, any revision of rent under any leases in respect of which the rental may fall to be reviewed and accept service of, or serve, any notice received or required or deemed desirable in connection with any such review or with the exercise of any option

#### **11 7 Borrow money**

- (A) For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in

the exercise of such powers, authorities or discretions or for any other purpose, a Receiver may raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the security constituted by this Deed or otherwise, and generally on such terms as he may in his discretion think fit

- (B) No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of any money so raised or borrowed

#### **11 8 Lending**

A Receiver may lend money or advance credit to any customer of Chargor

#### **11 9 Calls**

A Receiver may make, or require the directors of the Chargor to make, such calls upon the shareholders of the Chargor in respect of any uncalled capital of the Chargor as a Receiver may in his discretion require and enforce payment of any call so made by action (in the name of the Chargor or the relevant Receiver as that Receiver may in his discretion think fit) or otherwise

#### **11 10 Compromise and legal actions**

A Receiver may

- (A) settle or compromise any claim, adjust any account, refer to arbitration any dispute, and deal with any question or demand relating in any way to the Security Assets, and
- (B) bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets,

as he may in his discretion think fit

#### **11 11 Subsidiaries**

A Receiver may do the following in his discretion as he thinks fit

- (A) promote the formation of any Subsidiary of the Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets,
- (B) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such Subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, and
- (C) arrange for such Subsidiary to trade or cease to trade

#### **11 12 Appointments and delegation**

A Receiver may

- (A) appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he may in his discretion think fit, and
- (B) delegate his powers in accordance with this Deed

#### **11 13 Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which he may in his discretion think proper or desirable for realising the Security Assets

#### **11 14 Investigations**

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Agent or otherwise and comply with all lawful orders and directives regarding Environmental Law

#### **11 15 Other**

A Receiver may

- (A) do all such other acts and things as it may in his discretion consider to be incidental or conducive to any of the matters or powers set out in this Deed or otherwise incidental or conducive to the preservation, improvement or realisation of the Security Assets, and
- (B) use the name of the Chargor for any purpose in relation to this Deed

#### **11 16 Receiver as agent of the Chargor**

A Receiver is for all purposes the agent of the Chargor. Subject to the provisions of the Insolvency Act, the Chargor is solely responsible for all Receivers' acts, defaults, neglect and misconduct of any nature whatsoever and for each Receivers remuneration and costs, to the exclusion of liability on the part of the Security Agent

#### **11 17 No obligation**

No Receiver is obliged to exercise any of the powers set out in this clause

#### **11 18 Several power**

Where more than one Receiver is appointed, each Receiver has the power to act severally unless the Security Agent specifies otherwise in the appointment of such Receiver

## **11 19 Powers exercisable by the Security Agent**

- (A) The Security Agent may exercise all powers granted to a Receiver by this Deed, whether as attorney of the Chargor or otherwise
- (B) The powers of a Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Agent and so that, without limitation, such powers are and remain exercisable by the Security Agent in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Agent is from time to time subsisting

## **12 Power of attorney**

### **12 1 Appointment**

The Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution) on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit

- (A) to do anything which the Chargor is obliged to do under this Deed, but has failed to do so on the date it was obliged so to do, and
- (B) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document, the LPA or the Insolvency Act 1986,

provided that such power of attorney shall not be exercisable by the Security Agent, any Receiver or any Delegate until the occurrence of an Event of Default which is continuing

### **12 2 Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause

## **13 Delegation**

### **13 1 Delegate and sub-delegates**

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed

### **13 2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit



### **13 3 Liability**

Neither the Security Agent nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

### **14 Preservation of security**

#### **14 1 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred and each Finance Party shall be entitled to recover the value or amount of that payment, security or disposition from the Chargor

#### **14 2 Waiver of defences**

The obligations of the Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its rights and/or obligations under this Deed (and whether or not known to it or any Finance Party) including, without limitation

- (A) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (B) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any other person,
- (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 an Obligor or any other person,
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental, whether or not more onerous or of whatever nature) or replacement of a Finance Document or any other document or security, including, without limitation, any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings

#### **14.3 Immediate recourse**

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

#### **14.4 Appropriations**

Until the Secured Liabilities have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same, and
- (B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed

#### **14.5 Deferral of the Chargor's rights**

Until the Secured Liabilities have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed

- (A) to be indemnified by an Obligor or any other person,
- (B) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents,
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,
- (D) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which an Obligor has given a guarantee, undertaking or indemnity under any other Finance Document,
- (E) to exercise any right of set-off against any Obligor or other person, and/or
- (F) to claim or prove as a creditor of any Obligor or other person in competition with any Finance Party

If the Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargor under or in connection with the Finance Documents to be repaid in full) on trust for

the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct

**15 Costs and expenses**

**15.1 Amendment costs**

If the Chargor requests an amendment, waiver or consent, the Chargor shall, within five Business Days of demand, reimburse the Security Agent for the amount of all reasonable costs and expenses (including legal fees) reasonably and properly incurred by the Security Agent in responding to, evaluating, negotiating or complying with that request or requirement

**15.2 Enforcement expenses**

The Chargor shall, within five Business Days of written demand, pay to the Security Agent the amount of all reasonable costs, losses, liabilities and expenses (including legal fees) incurred by the Security Agent, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Security created or expressed to be created in favour of the Security Agent by this Deed or enforcing these rights

**16 Payments**

**16.1 Taxes**

The Chargor shall pay Tax and VAT in respect of any amount payable by it to the Security Agent any Receiver, Delegate or Finance Party under the Transaction Security Documents in accordance with the Facilities Agreement

**16.2 Continuation of accounts**

(A) At any time if any subsequent Security affects any Security Asset (other than any Security permitted by the Finance Documents), any Security Asset is disposed of or a petition is presented or resolution passed in relation to the winding-up of the Chargor (other than a frivolous or vexatious petition which is discharged, stayed or dismissed within 14 days of commencement), any Finance Party may

- (1) close any account of the Chargor then existing, and
- (2) open a new account in the name of the Chargor (whether or not it permits any existing account to continue)

(B) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred, unless the Chargor has received written notice from a Finance Party to the contrary

(C) All payments made to a Finance Party after such an event shall be credited to, or treated as having been credited to, the new account

- (D) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the Secured Liabilities

**16 3 Application of payments to the Security Agent**

The Security Agent shall apply all amounts received or recovered under the Transaction Security Documents in satisfaction of, whether in whole or in part, the Secured Liabilities in accordance with the Intercreditor Agreement

**16 4 Day count convention**

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days

**17 Calculations and certificates**

**17 1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Chargor are *prima facie* evidence of the matters to which they relate

**17 2 Certificates and determinations**

Any certification or determination by the Security Agent of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates

**18 Release of Security**

**18 1 Release**

- (A) At the end of the Security Period, the Security Agent shall, at the written request and reasonable cost of the Chargor, promptly take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by the Transaction Security Documents and return all deeds and documents of title held by the Security Agent in relation to the Transaction Security Documents and execute and deliver such further deeds and documents as the Chargor may reasonably require to give effect to this clause
- (B) In the event of a permitted disposal of a Security Asset or of a disposal of a Security Asset in connection with the Permitted Reorganisation, the Security Agent shall, at the written request and reasonable cost of the Chargor, take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by the Transaction Security Documents and return all deeds and documents of title held by the Security Agent in relation to the Transaction Security Documents and execute and deliver such further deeds and documents as the Chargor may reasonably require to give effect to this clause

## 18.2 Retention

If any payment by the Chargor or discharge given by the Security Agent (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event

- (A) the liabilities of the Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred, and
- (B) the Finance Parties shall be entitled to recover the value or amount of that Security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred and that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have irrevocably been paid

## 19 Tacking

The Chargor acknowledges that each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

## 20 No merger or prejudice

This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Agent of any other security at any time held by the Security Agent

## 21 Partial invalidity

If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of the remaining provisions under the law of any other jurisdiction will in any way be affected or impaired

## 22 Remedies and waivers

- (A) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy
- (B) The rights and remedies provided in this Deed are cumulative and are not exclusive of any right or remedies provided by law

## 23 Changes to the Parties

### 23.1 Assignment and transfer by the Chargor

The Chargor shall not assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed

**23 2 Assignment and transfer by the Security Agent**

The Security Agent may assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Intercreditor Agreement

**24 The Finance Documents**

The Chargor acknowledges the terms of the Finance Documents, including, without limitation, clause 10 3 (*Default interest*), clause 29 (*Role of the Agent and Security Agent*) and clause 32 (*Payment Mechanics*) of the Facilities Agreement

**25 Notices**

Every notice, request, demand or other communication under this Deed shall be made and delivered in accordance with the Facilities Agreement

**26 Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed

**27 Governing law**

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

**28 Enforcement**

**28 1 Jurisdiction**

- (A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute")
- (B) Each Party agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (C) This clause is for the benefit of the Finance Parties only As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions

**THIS DEED** has been entered into as a deed and delivered on the date stated at the beginning of this Deed



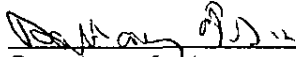
**The Security Agent**

EXECUTED as a DEED by  
**THE ROYAL BANK OF SCOTLAND PLC**  
acting by PAUL FLETCHER



) (Signature)

in the presence of

  
Signature of witness

Witness Name Anthony O'Leary

Witness Address

Syndicated Loans Agency  
The Royal Bank of Scotland plc  
250 Bishopsgate  
London  
EC2M 4AA

Witness Occupation

Banker



**SCHEDULE 1 : MORTGAGED PROPERTY**

<b>Property Address</b>	<b>Title No.</b>	<b>Tenure</b>	<b>Registered Proprietor</b>
Cannizaro House West Side Common Wimbledon London SW19 4UE	SGL466530	Leasehold	Malmaison and Hotel du Vin Property Holdings Limited (Company Registration Number 05990905)

## SCHEDULE 2 · NOTICE TO TENANT

[On the letterhead of the Chargor]

To [Tenant]

[Date]

Dear Sirs,

### **[Description of relevant Occupational Lease] (the "Occupational Lease")**

We refer to the Legal Mortgage (the "Legal Mortgage") dated [•] between Malmaison Trading Limited as chargor (the "Chargor") and The Royal Bank of Scotland plc as security agent (the "Security Agent")

We give you notice that pursuant to the Legal Mortgage, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Debenture) all of our present and future right, title and interest in and to the Occupational Lease, including all rent payable to us under the Occupational Lease

- 1 We irrevocably and unconditionally instruct and authorise you
  - (A) to make all payments in connection with the Occupational Lease to us until otherwise directed by the Security Agent following the occurrence of an Acceleration Event,
  - (B) until otherwise advised by the Security Agent, we will remain liable under the Occupational Lease to perform all the obligations assumed by us under the Occupational Lease. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Occupational Lease,
  - (C) you should continue to give notices under the Occupational Lease as directed under the Occupational Lease, unless and until you receive notice from the Security Agent to the contrary, and
  - (D) to disclose to the Security Agent any information relating to the Occupational Lease which the Security Agent may request
- 2 Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Occupational Lease without the prior consent of the Security Agent
- 3 The instructions in this letter
  - (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,
  - (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and

(C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Yours faithfully,

For and on behalf of  
Malmaison and Hotel du Vin Property Holdings Limited  
as Chargor