

MR01

Particulars of a charge

229994/13



A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
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☒ **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 there is no
instrument Use form MR08

WEDNESDAY



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06/11/2013

#239

COMPANIES HOUSE

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

1 Company details

Company number 0 8 7 2 3 5 3 1
Company name in full GHG London Management Limited

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 0 1 1 1 2 0 1 3

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 for
and on behalf of the Finance Parties

Name

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

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4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

The freehold land being 65 to 75 (odd) Scrutton Street and 39 - 47 (odd) Curtain Road, London EC2 to be mortgaged (Name of proprietor - GHG London Realty Limited, Title Number - EGL342198), and all other land which is now, or in the future becomes, its property, and all other interests and rights in or relating to Land or in the proceeds of sale of Land now or in the future belonging to it

5

Fixed charge or fixed security

Does the instrument include a fixed 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 chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Particulars of a charge

8

Trustee statement ①

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X Hogan Lovells International LLP X

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

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **Andrew Welbourn**

Company name **Hogan Lovells International LLP**

Address **Atlantic House**

Holborn Viaduct

Post town **London**

County/Region

Postcode **E C 1 A 2 F G**

Country **United Kingdom**

DX **57 London Chancery Lane**

Telephone **+44 (20) 7296 2000**



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

- ☒ [x] The company name and number match the information held on the public Register
- ☒ [x] You have included a certified copy of the instrument with this form
- ☒ [x] You have entered the date on which the charge was created
- ☒ [x] You have shown the names of persons entitled to the charge
- ☒ [x] You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ [x] You have given a description in Section 4, if appropriate
- ☒ [x] You have signed the form
- ☒ [x] You have enclosed the correct fee
- ☒ [x] 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 or email 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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8723531

Charge code: 0872 3531 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st November 2013 and created by GHG LONDON MANAGEMENT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th November 2013.

Given at Companies House, Cardiff on 12th November 2013



Companies House



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

DATED

1 November

2013

**GHG LONDON HOLDINGS LIMITED
(AS PARENT)**

**GHG LONDON REALTY LIMITED
(AS BORROWER)**

- and -

**GHG LONDON MANAGEMENT LIMITED
(AS THE OPERATING COMPANY)**

(TOGETHER THE CHARGORS)

- and -

**THE ROYAL BANK OF SCOTLAND PLC
(AS SECURITY AGENT)**

WE HEREBY CERTIFY THAT THIS IS
A TRUE COPY OF THE ORIGINAL

Hogan Lovells International LLP

**HOGAN LOVELLS
INTERNATIONAL LLP
ATLANTIC HOUSE
HOLBORN VIADUCT
LONDON EC1A 2FG**

DEBENTURE



Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

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THIS DEBENTURE is made on

1 November

2013

BETWEEN:

- (1) **GHG LONDON HOLDINGS LIMITED** a company incorporated in the Isle of Man (registered number 010255V) whose registered office is at PO Box 227, Clinch's House, Lord Street, Douglas, IM99 1RZ, Isle of Man (the "**Parent**"),
- (2) **GHG LONDON REALTY LIMITED** a company incorporated in the Isle of Man (registered number 010256V) whose registered office is at PO Box 227, Clinch's House, Lord Street, Douglas, IM99 1RZ, Isle of Man (the "**Borrower**"),
- (3) **GHG LONDON MANAGEMENT LIMITED** a company incorporated in England and Wales (registered number 08723531) whose registered office is at 16 Old Bailey, London, EC4M 7EG (the "**OpCo**"), and
- (4) **THE ROYAL BANK OF SCOTLAND PLC** as Security Agent (for and on behalf of the Finance Parties).

IT IS AGREED:

1) DEFINITIONS AND INTERPRETATION

- 1.1 Definitions:** Unless a contrary indication appears, words or expressions defined in the Facility Agreement shall have the same meaning in this Debenture and, in addition, the following words and expressions shall have the following meanings

"**Assets**" means all of a Chargor's undertaking, property, assets, revenues and rights of every description or any part of them,

"**Assigned Documents**" means each of the documents described in Schedule 1 (Assigned Documents);

"**Balance**" means

- (a) in relation to a particular Account or sub-account of a Account, all moneys from time to time standing to the credit of that Account or sub-account (as the case may be), or
- (b) as the context may require, the aggregate of all moneys from time to time standing to the credit of the Accounts and sub-accounts of the Accounts,

in each case, with moneys previously credited to the relevant Accounts or sub-accounts of the relevant Accounts, as the case may be,

"**Beneficiary**" means each of the Agent, the Arranger, the Security Agent, the Lender, the Account Bank and any Hedge Counterparty and includes any one or more of them and each Lender's Representative and "**Beneficiaries**" shall be construed accordingly;

"**Charged Property**" means the Assets charged or assigned or purported to be charged or assigned pursuant to clause 3 (*Charging Clause*) or clause 8 (*Further Assurance*),

"**Chargor**" means the Parent, the Borrower and the OpCo or any one of them,

"**Declared Default**" means the Agent first exercising its rights under clause 24.19 (*Acceleration*) of the Facility Agreement,

"**Derivative Rights**" means all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investments,

"Document Claims" means

- (a) all of a Chargor's right, title, interest and benefit in, under and to the Assigned Documents,
- (b) any sums payable to a Chargor pursuant to all representations, warranties, undertakings and indemnities to, agreements with and security to be provided in favour of a Chargor in respect of or pursuant to the Assigned Documents,
- (c) any rights of abatement or set-off and all other rights of recovery under or pursuant to any of the Assigned Documents; and
- (d) any net proceeds of any claims, awards and judgments which may at any time be received or receivable by a Chargor pursuant to any of the Assigned Documents,

together with the benefit of all powers and remedies for enforcing the same,

"Facility Agreement" means the Facility Agreement dated on or about the date of this Debenture between the Borrower, the Parent and the OpCo (as Obligors), The Royal Bank of Scotland plc as Agent, Arranger and Security Agent and National Westminster Bank Plc as Original Lender and Hedge Counterparty, as such agreement may be varied, amended and/or restated from time to time,

"Financial Collateral" in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations,

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003, as amended,

"Fixed Security Asset" means an Asset for the time being comprised within an assignment created by clause 3.1 (*Creation of Security Assignments*) or within a mortgage or fixed charge created by clause 3.2 (*Creation of Fixed Security*),

"Floating Charge Asset" means an Asset for the time being comprised within the floating charge created by clause 3.3 (*Creation of floating charge*) but, if it is also a Fixed Security Asset, only in so far as concerns that floating charge,

"Investments" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Schedule 2, Part II of the Financial Services and Markets Acts 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investments by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise,

"Lender's Representative" means any liquidator, administrator, receiver, receiver and manager, administrative receiver, custodian, trustee or similar officer in any jurisdiction,

"Land" includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures),

"Liability" means any liability, damage, loss, fee, cost, claim, proceeding or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise;

"Party" means a party to this Debenture,

"Receivables" means all sums of money receivable by a Chargor now or in the future consisting of or payable under or derived from any Asset described in clause 3.2 (*Creation of Fixed Security*),

"Receiver" means a receiver and manager appointed under clause 16.1 (*Appointment of a Receiver or an Administrator*) and (where the context requires or permits) includes any substituted receiver and manager,

"Recipient" shall have the meaning given to it in clause 3.4 (*Notices relating to the Assignment*),

"Secured Parties" has the meaning given to such term in the Facility Agreement,

"Secured Sums" means all present and future obligations and liabilities (whether actual or contingent and whether incurred jointly or severally or in any other capacity whatsoever) of a Chargor to all or any of the Beneficiaries under each or any of the Finance Documents, in each case together with

- (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any Finance Document, and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents

"Security Agent" means The Royal Bank of Scotland plc acting as security agent and trustee for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Finance Documents;

1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Debenture to
 - (i) the **"Agent"**, the **"Arranger"**, any **"Finance Party"**, any **"Hedge Counterparty"**, any **"Beneficiary"**, any **"Lender"**, any **"Obligor"**, any **"Party"**, the **"Security Agent"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents;
 - (ii) **"assets"** includes present and future properties, revenues and rights of every description,
 - (iii) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally),
 - (iv) **"guarantee"** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

- (v) "including" means including without limitation and "Includes" and "included" shall be construed accordingly
 - (vi) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
 - (vii) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality),
 - (viii) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation,
 - (ix) a provision of law is a reference to that provision as amended or re-enacted; and
 - (x) a time of day is a reference to London time
- (b) Section, clause and Schedule headings are for ease of reference only

2 PROTECTION OF THIRD PARTIES

- 2.1 **Covenant to pay:** Each Chargor (as primary obligor and not merely as surety) covenants with the Security Agent (as trustee for the Beneficiaries) that it will, on the Security Agent's written demand, pay or discharge the Secured Sums at the times and in the manner provided in the Finance Documents
- 2.2 **Proviso** The covenants contained in this clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law
- 2.3 **Demands:** The making of one demand shall not preclude the Security Agent from making any further demands
- 2.4 **Third Party:** Any third party dealing with the Security Agent or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Debenture

3. CHARGING CLAUSE

- 3.1 **Creation of Security Assignments:** Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Security Agent (as trustee for the Beneficiaries)
 - (a) all of its rights, title and interest and benefit in and to the Assigned Documents and the Document Claims and any guarantees, warranties, licences and/or other agreements of a Chargor,
 - (b) all of its rights, title and interest in or to the Accounts as any such account may be renumbered, redesignated or sub-divided from time to time, the Balances and all its rights, title, benefit and interest whatsoever, present and future, in and to the Balances, and any other account it may from time to time have with any bank, financial institution or other person,

- (c) all Receivables, book and other debts now or in the future owing to a Chargor and all its rights and claims against third parties, present and future, capable of being satisfied by the payment of money (except rights and claims effectively charged under clause 3.2 (*Creation of Fixed Security*) or effectively assigned under clauses 3.1(a) and 3.1(b) inclusive (*Creation of Security Assignments*)),
- (d) all of its rights, title and interest, from time to time, in respect of any sums payable to it pursuant to the Insurances, and
- (e) all of its rights, title and interest from time to time in respect of the Hedging Agreements

3.2 Creation of Fixed Security. Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, hereby charges to the Security Agent (as trustee for the Beneficiaries)

- (a) by way of legal mortgage, all Land in England and Wales now vested in it and registered at the Land Registry or which will be subject to first registration at the Land Registry upon the execution and delivery of this Debenture in each case as described in Schedule 2 (*Registered Land to be Mortgaged*),
- (b) by way of fixed charge
 - (i) all other Land which is now, or in the future becomes, its property,
 - (ii) all other interests and rights in or relating to Land or in the proceeds of sale of Land now or in the future belonging to it,
 - (iii) all plant and machinery now or in the future attached to any Land which, or an interest or right in which, is charged by it under the preceding provisions of this clause 3.2 and all its rights and interests under all present and future agreements for the purchase, maintenance or use of plant and machinery so attached,
 - (iv) all moneys at any time standing to the credit of the Accounts described in Schedule 3 (*Accounts*) and any other account it may from time to time have with any bank, financial institution or other person,
 - (v) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land,
 - (vi) all Investments which are described in Schedule 5,
 - (vii) all other Investments (to the extent not charged by (vi) above) which are now, or in the future become, its property,
 - (viii) all Derivative Rights now or in the future accruing in respect of its Investments;
 - (ix) all the Insurances now or in the future held by or otherwise benefitting it, together with all its rights and interests in and to the Insurances (including the benefit of all claims arising and all money payable under them) apart from any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) in this Debenture,
 - (x) all its goodwill and uncalled capital for the time being,

- (xi) all Intellectual Property Rights presently belonging to it, including any Intellectual Property Rights to which it is not absolutely entitled or to which it is entitled together with others,
- (xii) all Intellectual Property Rights that may be acquired by or belong to it in the future, including any such Intellectual Property Rights to which it is not absolutely entitled or to which it is entitled together with others,
- (xiii) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property Rights in any part of the world;
- (xiv) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world,
- (xv) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in clauses 3 2(b)(xi) to (xiv) inclusive,
- (xvi) all trade debts now or in the future owing to it;
- (xvii) all other debts now or in the future owing to it,
- (xviii) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Security Asset,
- (xix) the benefit of all negotiable instruments, guarantees, bonds, debentures, legal or equitable charges and all other security, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all other rights and remedies now or in the future available to a Chargor as security for any Receivable or for the performance by any third party of any obligation now or in the future owed to it,
- (xx) any beneficial interest, claim or entitlement it has to any pension fund now or in the future,
- (xxi) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Security Asset except to the extent that such rights, money or property are for the time being effectively charged by fixed charge under the foregoing provisions of this clause 3 2; and
- (xxii) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them

3 3 Creation of floating charge: Each Chargor, with full title guarantee, hereby charges to the Security Agent (as trustee for the Beneficiaries) as security for the payment or discharge of all Secured Sums, by way of first floating charge

- (a) all its Assets except to the extent that such Assets are for the time being effectively assigned to the Security Agent under clause 3.1 (*Creation of Security Assignments*) or effectively charged by any fixed charge contained in clause 3 2 (*Creation of Fixed Security*) including any Assets comprised within a charge which is reconverted under clause 4 4 (*Reconversion*), and

- (b) without exception, all its Assets in so far as they are for the time being situated in Scotland,

but in each case so that no Chargor shall create any Encumbrance over any such Asset (whether having priority over, or ranking *pari passu* with or subject to, this floating charge) or take any other step referred to in clause 7 (*Negative pledge and other restrictions*) with respect to any such Asset, and no Chargor shall, without the consent of the Security Agent, sell, transfer, part with or dispose of any such Asset except in each case to the extent permitted by the Finance Documents

3.4 Notices relating to the Assignment:

- (a) Each Chargor shall execute notices of the assignments constituted by clause 3.1 (*Creation of Security Assignments*) of this Debenture in the form set out in Schedule 4 (*Form of Notice of Assignment*) on the date of this Debenture or such later date as the Agent may permit in writing (other than in respect of paragraphs (b) to (d) below, in which case it shall execute the notice of assignment on the date on which it acquires rights in the relevant document or account) and
- (i) forthwith deliver them to the recipient so indicated in the relevant notice of assignment (the "Recipient"), and
 - (ii) use its reasonable endeavours to procure the immediate execution and delivery to the Security Agent by the Recipient of an acknowledgement of such notice of assignment
- (b) If a Chargor enters into an Assigned Document or any Hedging Agreement at any time after the date of this Debenture in accordance with the Facility Agreement, it shall
- (i) promptly notify the Security Agent,
 - (ii) at the same time as it executes the relevant Assigned Document or Hedging Agreement (as the case may be), enter into a notice of assignment substantially in the form set out in Schedule 3, shall give such notice of assignment to its contractual counterparty or counterparties under the relevant Assigned Document or Hedging Agreement, and
 - (iii) use its reasonable endeavours to procure that each such counterparty or counterparties promptly duly signs and returns the form of acknowledgment thereon to the Security Agent
- (c) If a Chargor enters in to any other material contract at any time after the date of this Debenture it shall promptly notify the Security Agent.
- (d) If a Chargor opens an Account at any time after the date of this Debenture in accordance with the Facility Agreement, it shall
- (i) promptly notify the Security Agent;
 - (ii) at the same time as it opens the relevant Account, enter into a notice of assignment substantially in the form set out in Schedule 4, shall give such notice of assignment to the relevant Account Bank;
 - (iii) use its reasonable endeavours to procure that such Account Bank promptly duly signs and returns the form of acknowledgment thereon to the Security Agent, and

- (iv) if a Chargor holds any account other than an Account at any time after the date of this Debenture, it shall promptly notify the Security Agent

3.5 Priority:

- (a) Any fixed Encumbrance created by a Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3.3 (*Creation of floating charge*)
- (b) Any Encumbrance created in the future by a Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture

3.6 Application to the Land Registry:

Each Chargor hereby

- (a) in relation to each register of title of any present and future Land which is charged to the Security Agent under this Debenture or pursuant to clause 8 (*Further Assurance*) consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry any and all of the following
 - (i) a form AP1 (*application to change the register*) in respect of the security created by this Debenture,
 - (ii) a form AN1 (*application to enter as agreed notice*) in respect of the security created by this Debenture,
 - (iii) a form RX1 (*application to register a restriction*) in the following terms

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Security Agent] referred to in the charges register or their conveyancer", and
 - (iv) a form CH2 (*application to enter an obligation to make further advances*), and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by clause 3.2 (*Creation of Fixed Security*) at its own expense, immediately following its execution of this Debenture

4 CRYSTALLISATION

4.1 Crystallisation by notice: The floating charge created by a Chargor in clause 3.3 (*Creation of floating charge*) may, subject to clause 4.5 (*Moratorium Assets*) be crystallised into a fixed charge by notice in writing given at any time by the Security Agent to a Chargor if

- (a) an Event of Declared Default has occurred and is continuing, or
- (b) the Security Agent in good faith considers that a Default under clause 25.6 (*Insolvency*) or clause 25.7 (*Insolvency Proceedings*) of the Facility Agreement has occurred and is continuing; or

- (c) the Security Agent in good faith considers that any of the Assets expressed to be charged to the Security Agent by this Debenture may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
- (d) a circumstance envisaged by paragraph 4.2(a) of clause 4.2 (*Automatic crystallisation*) occurs and the Security Agent in good faith considers that such crystallisation is desirable in order to protect the priority of its security

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of a Chargor.

4.2 Automatic crystallisation: If, without the Security Agent's prior written consent:

- (a) a Chargor in contravention of any Finance Document resolves to take or takes any step to
 - (i) charge or otherwise encumber any of its Floating Charge Assets, or
 - (ii) create a trust over any of its Floating Charge Assets, or
 - (iii) dispose of any Floating Charge Asset, except as permitted pursuant to the Finance Documents, or
- (b) any person resolves to take or takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process, or
- (c) an Event of Default under clause 25.6 (*Insolvency*) or clause 25.7 (*Insolvency Proceedings*) of the Facility Agreement has occurred,

then the floating charge created by clause 3.3 (*Creation of floating charge*) shall, subject to clause 4.5 (*Moratorium Assets*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset.

4.3 Future Floating Charge Assets. Except as otherwise stated in any notice given under clause 4.1 (*Crystallisation by notice*) or unless such notice relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by a Chargor after crystallisation has occurred under clause 4.1 (*Crystallisation by notice*) or 4.2 (*Automatic crystallisation*) shall become subject to the floating charge created by clause 3.3 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the Floating Charge Assets affected by crystallisation.

4.4 Reconversion: Any charge which has crystallised under clause 4.1 (*Crystallisation by notice*) or 4.2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Security Agent to a Chargor, be reconverted into a floating charge in relation to the Assets specified in such notice.

4.5 Moratorium Assets. The floating charge created by a Chargor in clause 3.3 (*Creation of floating charge*) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 and/or paragraph 43 of Schedule A1 of the Insolvency Act 1986.

5 TITLE DOCUMENTS AND TRANSFERS

Except as otherwise expressly agreed in writing by the Security Agent, each Chargor shall

- (a) promptly deposit with the Security Agent, and the Security Agent shall be entitled to retain during the continuance of this Debenture, all deeds and documents of title in the possession of such Chargor relating to all its Fixed Security Assets, including policies of insurance and assurance, certificates of registration and certificates constituting or evidencing Investments and Intellectual Property Rights,
- (b) promptly execute and deliver to the Security Agent such documents and transfers and give such instructions and perform such other acts as the Security Agent may require at any time to constitute or perfect an equitable or legal charge (at the Security Agent's option) over the Investments

6 COLLECTION OF RECEIVABLES, INVESTMENTS AND BOOK DEBTS

- 6.1 **Receivables:** Each Chargor will, as agent for the Security Agent, collect all Receivables and all other rights and claims charged to the Security Agent under this Debenture and pay the proceeds into the Account specified for this purpose pursuant to the Facility Agreement forthwith on receipt. Each Chargor shall, pending such payment, hold all money so received upon trust for the Security Agent
- 6.2 **Accounts.** No Chargor shall withdraw all or any moneys from time to time standing to the credit of any Account except in accordance with the terms of the Facility Agreement
- 6.3 **No derogation** No Chargor shall purport, without the Security Agent's prior written consent (acting in accordance with the terms of the Finance Documents) to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery
- 6.4 **Information:** Each Chargor shall deliver to the Security Agent such particulars as to the amount and nature of its Receivables as the Security Agent may from time to time require

7 NEGATIVE PLEDGE AND OTHER RESTRICTIONS

No Chargor shall

- (a) create, or agree or attempt to create, or permit to subsist any Encumbrance or any trust over all or any of its Assets save as strictly permitted by and in accordance with the terms of the Facility Agreement, or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license or sub-license, transfer grant any interest in or otherwise dispose or part with possession of the whole or any part of its Assets, or purport to agree to do so, save as permitted by and in accordance with the Facility Agreement

8. FURTHER ASSURANCE

8.1 Each Chargor shall:

- (a) promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices 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))

- (i) to perfect or protect any Encumbrances created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other Encumbrance over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or any Beneficiary provided by or pursuant to the Finance Documents or by law,
 - (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security, and
 - (b) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Encumbrances conferred or intended to be conferred on the Security Agent or the Beneficiaries by or pursuant to the Finance Documents
- 8 2 **Notices of Assignment under Clause 8.1 (*Further Assurance*)** If a Chargor enters into an assignment in favour of the Security Agent pursuant to clause 8 1 (*Further Assurance*) it shall at the same time enter into notices of that assignment substantially in the form set out in Schedule 3 or Schedule 4 (as appropriate), and shall give such notices of assignment to the relevant party and use its reasonable endeavours to procure that each such party promptly duly signs and returns the form of acknowledgement thereon
- 9 **RIGHT OF APPROPRIATION**
- 9 1 The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations
- 9 2 The Security Agent may, on or at any time after the security constituted by this Debenture becomes enforceable in accordance with its terms by notice in writing to a Chargor, appropriate with immediate effect any of its Financial Collateral charged by this Debenture which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise
- 9 3 The value of any Financial Collateral appropriated under clause 9 2 shall be
- (a) in the case of cash, its face value at the time of appropriation, and
 - (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may reasonably select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent,
- as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent.
- 9 4 The Security Agent will account to a Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and each Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums.

- 9 5 A Chargor agrees that (i) all Assets referred to in clause 9 2 have been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the Security Agent or a person acting on its behalf, and (ii) the method of valuing such Assets under clause 9 3 is commercially reasonable

10 CONTINUING SECURITY

- 10 1 **Continuing Security.** This Debenture shall be a continuing security for the Beneficiaries, notwithstanding any intermediate payment or settlement of accounts or other matter whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, or other rights exercisable by any Beneficiary as banker against a Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Beneficiary

- 10 2 **Consolidation of Mortgages** Section 93 of the Law of Property Act 1925, dealing with consolidation of mortgages, shall not apply to this Debenture

11 LAND

- 11 1 **Positive Covenants:** Each Chargor covenants that it shall

- (a) **Repair.** keep all its buildings and all its plant, machinery, fixtures, fittings and other effects charged by it under this Debenture in good and substantial repair and in good working order and condition and will not, without the prior written consent of the Security Agent, alter, pull down, remove or dispose of any of them, except in the ordinary course of repair, maintenance or improvement or as permitted under the Facility Agreement,
- (b) **Payments:** punctually pay or cause to be paid all rates, taxes, levies, charges, duties, assessments, impositions and outgoings whatever assessed, charged or imposed, now or in the future, in respect of its Land or Land in which it has an interest and produce to it proof of such payment,
- (c) **Contracts:** comply in all material respects with the terms of all agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting its Land or its use or enjoyment and not take any action which, or omit to take any action the omission of which, results in any of its interests or estates in its Land being adversely affected,
- (d) **Notices, orders and proposals:** supply to the Security Agent copies of any notice, order or proposal affecting its Land which may be materially adverse to the interests of the Finance Parties
 - (i) within seven days of receipt where it is received from any competent authority or tenant, and
 - (ii) within three days of receipt where it is received from any landlord,and at its cost either punctually comply with such notice or order or (if so requested by the Security Agent (acting reasonably)) make or join with the Security Agent in making such objections or representations or taking such other steps as the Security Agent (acting reasonably) may think fit
- (e) **Building operations:** complete with expedition any building operations to the satisfaction of any competent authority and in conformity with all requisite planning and by-law consents,

- (f) **Notification of non-compliance:** notify the Security Agent, promptly on receipt, of any claim, notice or other communication received by it alleging non-compliance by it in relation to any matter referred to in this Clause 11 1.
 - (g) **Acquisitions:** notify the Security Agent immediately upon its acquisition of any Land,
 - (h) **Access to Land:** permit the Security Agent (but without the Security Agent being under any obligation to do so) to at all reasonable times
 - (i) inspect any of its Land, and
 - (ii) enter upon all or any of its Land to effect such repairs as the Security Agent may consider necessary, without becoming liable as a mortgagee in possession
- 11 2 **Negative covenants:** No Chargor shall without the prior written consent of the Security Agent (save as permitted under the Facility Agreement)
- (a) **No onerous obligations:** enter into any onerous or restrictive obligation affecting its Land or create or permit to arise any overriding interest or any easement or right whatever in or over it which would be likely to affect adversely its value or the value of the Security constituted by this Debenture over it,
 - (b) **No leasing:** exercise any power of leasing in relation to its Land (in each case, except as expressly permitted under the terms of the Facility Agreement), or accept surrenders of leases of its any Land or agree to do so,
 - (c) **No lease extensions:** extend, renew on substantially different terms or vary any lease or tenancy agreement or give any licence to assign or underlet in relation to its Land to the extent that it would adversely affect its value or the value of the Security constituted by this Debenture,
 - (d) **No elections.** make any election to waive the exemption under paragraph 2 of Schedule 10 of the Value Added Tax Act 1994 in its capacity as landlord of any such Land,
 - (e) **Possession:** part with possession of its Land (except on the determination of any lease, tenancy or licence granted to it) or except as expressly permitted by the terms of the Finance Documents, or
 - (f) **No sharing.** share the occupation of any Land with any other person or agree to do so
- 11 3 **Consolidation of Mortgages:** Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture
- 12 **INTELLECTUAL PROPERTY RIGHTS**
- 12 1 **Filings and registrations**
- (a) Each Chargor shall, as soon as reasonably practicable, file and register at any relevant patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of a Chargor and including, if appropriate the European Patents Office and Office of Harmonisation for the Internal Market) in such name as may be required by the law of the place of

registration, such of the following as must be filed or registered there in order to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture

- (i) this Debenture,
- (ii) if so requested by the Security Agent, all licences of Intellectual Property granted to or acquired by it, and
- (iii) all future assignments, mortgages and/or charges of Intellectual Property Rights made pursuant to this Debenture,

and, to the extent necessary to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture, maintain or renew such filings and registrations where applicable

- (b) Each Chargor irrevocably authorises the Security Agent to effect such registrations, renewals, payments and notifications at the expense of such Chargor as shall, in the reasonable opinion of the Security Agent, be necessary to register the Security created by this Debenture at any patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of a Chargor and including, if appropriate, at the European Patents Office or Office of Harmonization for the Internal Market)

12.2 **Negative covenants** Without the prior written consent of the Security Agent, no Chargor shall

- (a) **Trade marks** amend the specification of any registered trade mark included in its Intellectual Property Rights, or
- (b) **Patents** amend the specification or drawings referred to in any granted patent.

13 INVESTMENTS

13.1 **Voting and other rights:** Unless and until this Debenture becomes enforceable or the Security Agent otherwise directs

- (a) all voting and other rights attaching to the Investments will be exercised by a Chargor for so long as it remains their registered owner and each Chargor shall not permit any person other than a Chargor, the Security Agent or the Security Trustee's nominee to be registered as holder of such Investments or any part of them, and
- (b) if Investments belonging to a Chargor are registered in the name of the Security Agent or the Security Agent's nominee, all voting and other rights attaching to them shall be exercised by the Security Agent or the Security Agent's nominee in accordance with instructions in writing from time to time received from a Chargor and, in the absence of any such instructions, the Security Agent or the Security Agent's nominee shall not exercise any such rights

A Chargor undertakes not to exercise any voting or other rights in a way which may prejudice the value of its Investments or otherwise jeopardise the Encumbrances constituted by this Debenture over them

14 OPENING OF NEW ACCOUNTS

- 14 1 Creation of new account:** On receiving notice that a Chargor has created an Encumbrance over or otherwise encumbered or disposed of any of its Assets, a Beneficiary may rule off all its accounts and open new accounts with a Chargor
- 14 2 Credits to new account:** If a Beneficiary does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by a Chargor to such Beneficiary shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from a Chargor to such Beneficiary at the time when it received such notice

15 POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS

- 15 1 Section 103 of the LPA:** Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Security Agent shall not exercise such power of sale until this Debenture has become enforceable
- 15 2 Powers of sale extended** The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Agent by virtue of this Debenture are extended so as to authorise the Security Agent (whether in its own name or that of a Chargor concerned) to
- (a) grant a lease of any Land vested in a Chargor or in which it has an interest on such terms and conditions as the Security Agent shall think fit, and
 - (b) sever any fixtures from Land vested in a Chargor and sell them separately

16 APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR

- 16 1 Appointment:** Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after
- (a) the occurrence of an Event of Default which is continuing, or
 - (b) a step or proceeding is taken, or a proposal is made, for the appointment of an administrator, liquidator or provisional liquidator in relation to a Chargor or for a voluntary arrangement under Part I of the Insolvency Act 1986, or
 - (c) notices to creditors are sent out under section 98 of the Insolvency Act 1986 in relation to a Chargor, or
 - (d) a step or proceeding is taken in relation to a Chargor with a view to seeking a moratorium; or
 - (e) a request has been made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator over its Assets or in respect of a Chargor,

then this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between a Chargor and any Beneficiary, the Security Agent may (unless precluded by law) appoint in writing any person or persons to be a receiver or a receiver and manager or receivers and managers of all or any part of the Assets of a Chargor or, when permitted by law, an administrator or administrators of a Chargor, as the Security Agent may choose in its entire discretion

- 16 2 **Power to act separately:** Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary
- 16 3 **Receiver's remuneration:** The Security Agent may from time to time determine the remuneration of a Receiver
- 16 4 **Removal of Receiver:** The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver
- 16 5 **Further appointments of a Receiver:** Such an appointment of a Receiver shall not preclude
- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional Receiver to act while the first Receiver continues to act
- 16 6 **Receiver's agency:** The Receiver shall be the agent of a Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until a Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or the Beneficiaries or any of them
- 17 **POWERS OF A RECEIVER**
- 17 1 **General:** The Receiver may exercise, in relation to a Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others
- (a) take possession of, collect and get in any of the Charged Property and, for that purpose, take any proceedings in the name of a Chargor or otherwise,
 - (b) generally manage the Charged Property and manage or carry on, develop, reconstruct, amalgamate, diversify or concur in carrying on all of any part of the business of a Chargor,
 - (c) make any arrangement or compromise or enter into or cancel any contracts;
 - (d) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of a Chargor, without the need to observe any of the provisions of sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Investments or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of a Chargor. Any such sale, lease or disposition may be made for cash payable by instalments, loan stock, other debt obligations, shares or Investments of another company, or other valuable considerations,
 - (e) promote the formation of a Subsidiary of a Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of a Chargor;

- (f) sever any fixtures from Land and/or sell them separately,
- (g) exercise all voting and other rights attaching to Investments owned by a Chargor,
- (h) arrange for the purchase, lease, licence or acquisition of all or any Assets of a Chargor by any such Subsidiary on a basis whereby the consideration may be for cash, Investments, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit,
- (i) make and effect all repairs, renewals and improvements to the Assets of a Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit,
- (j) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine,
- (k) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on a Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver,
- (l) pay the proper administrative charges of any Beneficiaries in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of a Chargor,
- (m) commence and/or complete any building operations upon any Land of a Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit,
- (n) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of a Chargor's Intellectual Property Rights,
- (o) raise or borrow money or incur any other liability on any terms, whether secured or unsecured,
- (p) establish subsidiaries or acquire interests in any of the Charged Property and/or arrange for these subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions, whether or not including payment by instalments secured or unsecured,
- (q) to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demand with or by any person who is or claims to be a creditor of a Chargor or relating in any way to the Charged Property;
- (r) to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Property or any of the businesses of a Chargor;
- (s) to make any demand under and in accordance with any Letter of Credit, Cost Overrun Guarantee, Development Document and/or any other guarantees or other Investments from time to time held by a Chargor,
- (t) to act as a Lender's Representative under any Collateral Warranty and/or Duty of Care Agreement and to do all other acts and things as may be considered by the

Receiver to be incidental to or conducive to that action including without limitation entering into and performing any step-in undertaking, and

- (u) to do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets

18 POWER OF ATTORNEY

- 18 1 Appointment of attorney:** Each Chargor, by way of security and to more fully secure the performance of its obligations under this Debenture, hereby irrevocably appoints the Security Agent and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to

- (a) execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document, and
- (b) perform any other act of any description,

which may be required of a Chargor under this Debenture or which may be deemed by such attorney necessary or desirable for any purpose of this Debenture or to constitute, enhance or perfect the security intended to be constituted by it or to convey or transfer legal ownership of any Assets

- 18 2 Ratification.** Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

- 18 3 Sums recoverable:** All sums expended by the Security Agent, any nominee and/or any Receiver under this clause 18 shall be recoverable from a Chargor under clause 24 (*Costs, Expenses and Liabilities*)

19 OTHER POWERS EXERCISABLE BY THE SECURITY AGENT

- 19 1 Receiver's powers** All powers of the Receiver conferred by this Debenture may be exercised by the Security Agent after this Debenture has become enforceable. In that event, clause 17.1(k) (*Powers of a Receiver*) shall be read and construed as if the words "be charged on the Assets of a Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver"

- 19 2 Receipt of debts:** The Security Agent, its nominee or any manager, officer, nominee or agent of the Security Agent is hereby irrevocably empowered to

- (a) receive all book debts and other debts and claims which may be assigned to the Security Agent pursuant to this Debenture or clause 8 (*Further assurance*),
- (b) on payment to give an effectual discharge for them and on non-payment to take and institute (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of a Chargor or in the name of the Security Agent for their recovery, and
- (c) agree accounts and to make allowances and to give time to any surety.

A Chargor ratifies and confirms whatever the Security Agent, its nominee or any manager, officer, nominee or agent of the Security Agent shall do or purport to do under this clause 19

19.3 **Security Agent's powers:** The Security Agent shall have no liability or responsibility to a Chargor arising out of the exercise or non-exercise of the powers conferred on it by this clause 19, except for gross negligence or wilful default of the Security Agent

19.4 **No duty of enquiry:** The Security Agent need not enquire as to the sufficiency of any sums received by it in respect of any book debt or other debt or claim so assigned to it or make any claim or take any other action to collect in or enforce them

20 APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER

20.1 **Order of priority.** Any monies received or realised under the powers conferred by this Debenture shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims:

- (a) in or towards satisfaction of the Secured Sums in the manner applicable under the terms of the Facility Agreement, and
- (b) as to the surplus (if any), to the person or persons entitled to it.

20.2 **Suspense account:** Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may place and keep to the credit of a suspense account any money received or realised by the Security Agent by virtue of this Debenture. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums

20.3 **Discretion to apply:** Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion

21 PROTECTION OF THIRD PARTIES

21.1 **No duty to enquire:** No purchaser from, or other person dealing with, the Security Agent, its nominee or any Receiver or administrator appointed under this Debenture shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Security Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters

21.2 **Receipt** The receipt of the Security Agent shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Security Agent

22 PROTECTION OF THE SECURITY AGENT, AS NOMINEE AND RECEIVER

22.1 **Limitation:** None of the Security Agent, any nominee or any Receiver shall be liable in respect of any Liability which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of their respective rights or powers under or by

virtue of this Debenture, except if and in so far as such Liability results from its or his own gross negligence or wilful default.

- 22 2 **Entry Into possession.** Without prejudice to the generality of clause 22 1 (*Limitation*), none of the Security Agent, any nominee or any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Security Agent or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession.

23 **SECURITY AGENT**

- 23 1 **Security Agent as trustee.** The Security Agent declares itself to be a trustee of this Debenture (and any other Encumbrance created in its favour pursuant to this Debenture) for the Beneficiaries. The retirement of the person for the time being acting as Security Agent and the appointment of a successor shall be effected in the manner provided for in the Facility Agreement.

- 23 2 **Trustee Act 2000.** The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

- 23 3 **No partnership:** Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Beneficiaries and the Security Agent.

24 **COSTS, EXPENSES AND LIABILITIES**

- 24 1 **Costs and expenses.** Each Chargor shall, promptly on demand pay the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing, execution and perfection of

(a) this Debenture and any other documents referred to in this Debenture and the Transaction Security, and

(b) the completion of the transactions and perfection of the Encumbrances contemplated in this Debenture.

- 24 2 **Amendment costs:** If a Chargor requests an amendment, waiver or consent of or under this Debenture, each Chargor shall, within three Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by the Security Agent in responding to, evaluating, negotiating or complying with that request or requirement.

- 24 3 **Enforcement costs:** Each Chargor shall, within three Business Days of demand, pay to the Security Agent, the amount of all costs and expenses (including legal fees) incurred by the Security Agent and/or any other Beneficiary in connection with the enforcement of or the preservation of any rights under this Debenture (or any document contemplated herein) and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of it entering into a Finance Document, taking or holding the Transaction Security or enforcing those rights.

- 24 4 **Indemnity for Liabilities:** Each Chargor shall also, within three Business Days of the Security Agent's written demand

(a) reimburse or pay to the Security Agent, its employees or agents, on demand (on the basis of a full indemnity) the amount of all Liabilities incurred by the Security Agent, its employees or agents, in connection with.

- (i) any default or delay by a Chargor in the performance of any of its obligations under this Debenture,
- (ii) the exercise, or the attempted or purported exercise, by or on behalf of the Security Agent of any of its powers or any other action taken by or on behalf of the Security Agent with a view to or in connection with the recovery of the Secured Sums, the enforcement of the Encumbrances created by this Debenture or for any other purpose contemplated in this Debenture,
- (iii) the carrying out or consideration of any other act or matter which the Security Agent may consider to be conducive to the preservation, or benefit of any Asset, and
- (iv) any stamp duty, stamp duty reserve tax or similar tax which may be payable as a result of the execution or performance of this Debenture

25 INTEREST ON OVERDUE AMOUNTS

25 1 Any amount not paid in accordance with this Debenture when due shall (subject to clause 25 2 below) carry interest at the rate and in accordance with the terms contained in clause 8 4 (*Default Interest*) of the Facility Agreement or at such other rate as may be agreed between a Chargor and Beneficiary from time to time. In each case, interest shall accrue on a day to day basis until the date of irrevocable and unconditional repayment in full and, if unpaid, shall be compounded on the terms so agreed or (in the absence of such agreed terms) with quarterly rests on the Security Agent's usual quarterly interest days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.

25 2 Clause 25 1 above shall not apply to the extent that default interest on such amount for such period is charged pursuant to the relevant Finance Document and itself constitutes part of the Secured Sums.

26 SET-OFF

Subject to the terms of the Facility Agreement, the Security Agent and each Beneficiary may at any time (without notice to a Chargor) retain any money standing to the credit of a Chargor with such Beneficiary in any currency upon any account or otherwise (whether or not in a Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to a Chargor combine or consolidate all or any of such money with all or such part of the Secured Sums due or owing by it as such Beneficiary may select and such Beneficiary may purchase with any such money any other currency required to effect such combination or consolidation.

27 TRANSFER BY A BENEFICIARY

- (a) Any Beneficiary may at any time assign and transfer all or any of its rights in relation to this Debenture to any person to whom it is permitted to transfer any of its rights under the relevant Finance Documents or otherwise grant an interest in them to any person.
- (b) The Security Agent may assign and transfer all of its rights and obligations under this Debenture to any replacement Security Agent appointed in accordance with the Facility Agreement. Upon such assignment and transfer becoming effective, the replacement Security Agent shall be, and be deemed to be, acting as agent

and trustee for each of the Beneficiaries (including itself) for the purposes of this Debenture in replacement of the previous Security Agent

28 RELEASE OF SECURITY

- 28 1 Redemption:** Subject to clause 28 2 (*Avoidance of Payments*), if all Secured Sums have been unconditionally and irrevocably paid in full and none of the Beneficiaries are under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Finance Document, the Security Agent will (at the request and cost of a Chargor), execute and do all such reasonable acts as may be necessary to release the Assets from the Encumbrances constituted by this Debenture. Such release shall not prejudice the rights of the Security Agent under clause 24 (*Costs, Expenses and Liabilities*).
- 28 2 Avoidance of Payments:** If the Security Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of a Chargor under this Debenture and the Encumbrances constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

29 THIRD PARTY RIGHTS

- 29 1 Directly enforceable rights:** Pursuant to the Contracts (Rights of Third Parties) Act 1999
- (a) The provisions of clause 14 (*Opening of New Accounts*), 24 (*Costs, Expenses and Liabilities*), 26 (*Set-off*) and clause 27 (*Transfer by a Beneficiary*) shall be directly enforceable by a Beneficiary,
 - (b) the provisions of clause 16 (*Appointment of a Receiver or an Administrator*) to clause 22 (*Protection of the Security Agent, as Nominee and Receiver*) inclusive shall be directly enforceable by any Receiver, and
 - (c) the provisions of clause 21 (*Protection of Third Parties*) shall be directly enforceable by any purchaser
- 29 2 Exclusion of Contracts (Rights of Third Parties) Act 1999.** Save as otherwise expressly provided in clause 29 1 (*Directly Enforceable Rights*), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a party to enforce any term (express or implied) of this Debenture.
- 29 3 Rights of the Parties to vary:** A Chargor and the Security Agent (on behalf of the Beneficiaries) may by agreement vary any term of this Debenture (including this clause 29) without the necessity of obtaining any consent from any other person.
- 30 FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS**
- 30 1 Delay etc:** All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Beneficiary exercising, delaying in exercising or omitting to exercise any of them.
- 30 2 Severability:** No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.

30 3 **Illegality, invalidity, unenforceability:** Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture

30.4 **Variations:** No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Beneficiaries) and a Chargor

30 5 **Consents** Save as otherwise expressly specified in this Debenture, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its entire discretion.

31 **COUNTERPARTS**

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

32 **NOTICES**

32 1 **Communications in writing**

Any communication to be made under or in connection with the Debenture shall be made in writing and, unless otherwise stated, may be made by fax or letter

32 2 **Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Debenture is

- (a) in the case of a Chargor, that identified with its name below, and
- (b) in the case of the Security Agent, that identified with its name below,

or any substitute address or fax number or department or officer as each Party may notify to the other) by not less than five Business Days' notice

32 3 **Delivery**

Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective

- (a) if by way of fax, when received in legible form, or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 32 2 (*Addresses*), if addressed to that department or officer

32 4 **Security Agent:** Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of and actually received by any department or officer identified as part of its address details at the end of this Debenture (or any substitute department or officer that the Security Agent shall specify for this purpose)

32 5 **Electronic Mail:** Notices under this Debenture may not be served by electronic mail or other electronic means of communication other than facsimile

33 **SECURITY AGENT**

The provisions of clause 27 1 (*Role of the Agent, the Security Agent and the Arranger*) of the Facility Agreement shall apply to the Security Agent's rights, obligations and duties under this Debenture as if set out in this Debenture in full

34 **SERVICE OF PROCESS**

The appointment of the agent for service of process pursuant to clause 41 2 (*Service of Process*) of the Facility Agreement shall apply to this Debenture

35 **GOVERNING LAW**

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

36 **JURISDICTION**

36 1 **Jurisdiction:**

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any claim for set-off) or the legal relationships established by this Debenture (a "Dispute"), only where such Dispute is the subject of proceedings commenced by a Chargor
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiaries, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England) If any Chargor raises a counter-claim in the context of proceedings commenced by one or more of the Beneficiaries, that Chargor shall bring such counter-claim before the court seized of the Beneficiary's claim and no other court
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude any Beneficiary from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not
- (d) To the extent allowed by law, each Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum

THIS DEBENTURE has been executed by each Chargor as a deed and signed by the Security Agent and it shall take effect on the date stated at the beginning of this document

SCHEDULE 1

Assigned Documents

- 1 The following Development Documents:
 - (a) the Building Contract,
 - (b) each Consultant Appointment,
 - (c) each Collateral Warranty,
 - (d) the Hotel Management Agreement,
 - (e) the Licence Agreement,
 - (f) the Opco Operating Arrangements,
 - (g) the Building Contract Performance Bond,
 - (h) each Development Consent, and
- 2 The Seller's Obligation Letter
- 3 any other document (other than a Finance Document) designated as a Transaction Document by the Agent in accordance with the Facility Agreement
- 4 Any document which replaces, amends, varies or supplements any of the documents listed above

SCHEDULE 2

Registered Land to be mortgaged

Name of Registered Proprietor	Description of Property	Title Number
GHG London Realty Limited	the freehold land being 65 to 75 (odd) Scrutton Street and 39-47 (odd) Curtain Road, London EC2	EGL342198

Unregistered land subject to first registration upon the execution of this Debenture

N/A	N/A	N/A
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The address for service of the Security Agent in the case of registered land is

The Royal Bank of Scotland plc, 9th floor, 280 Bishopsgate, EC2M 4RB

Fax +44 (0)207 672 2187

Attention Matthew Dredge

SCHEDULE 3

**Form of Notice of Assignment and
Acknowledgement of Receipt - Assigned Documents**

To [Details of Party to Document]

Date

Dear Sirs

[Description of Relevant Document] (the "Document")

We refer to the Document We refer also to a debenture (the "Deed") dated [•] made between The Royal Bank of Scotland plc as Security Agent for certain beneficiaries named therein (the "Security Agent") and ourselves ("Chargor")

We hereby give you notice that by a first ranking assignment contained in the Deed, all of a Chargor's present and future right, title, interest and benefit in, under and to the Document including any sums payable to a Chargor pursuant to all representations and warranties, undertakings and indemnities to, agreements with and security to be provided in favour of a Chargor in respect of or pursuant to the Document, and any rights of abatement or set-off, and all other rights of recovery under or pursuant to the Document and any net proceeds of any claims, awards and judgments which may at any time be received or receivable by a Chargor pursuant to the Document, together with the benefit of all powers and remedies for enforcing the same were assigned to the Security Agent by way of security

We irrevocably and unconditionally instruct and authorise you as follows (notwithstanding any previous directions which we may have given you to the contrary)

- 1 All moneys payable by you to a Chargor pursuant to the Document shall be paid into account number [•] in a Chargor's name held with [•], sort code [•] (the "Operating Account") unless and until otherwise directed by the Security Agent whereupon such moneys shall be paid in accordance with the instructions of the Security Agent,
- 2 Notwithstanding the assignment referred to above or the making of any payment by you to the Security Agent pursuant to it, each Chargor shall remain liable under the Document to perform all the obligations assumed by it under the Document and neither the Security Agent nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Document,
- 3 No Chargor shall vary or waive (or agree to vary or waive) any provision of the Document or exercise any right to rescind or terminate the Document without the prior written consent of the Security Agent but otherwise a Chargor shall be entitled to exercise all its rights, powers and discretions under the Document unless and until you receive written notice from the Security Agent to the contrary, in which event all rights, powers and discretions shall be exercisable by the Security Agent or as it directs,
- 4 Unless otherwise directed by the Security Agent, you shall furnish or disclose to the Security Agent in addition to ourselves all notices, matters or things required under the Document to be furnished and disclosed to ourselves.

All notices, matters or things required to be sent to the Security Agent under the terms of this notice shall be sent to the Security Agent at the address set out below or to such other address as shall be notified to you from time to time

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them

This letter shall be governed by and construed in accordance with the laws of England

Please acknowledge receipt of this notice of assignment and confirm that

- (a) You will pay all sums due under the Document as directed by or pursuant to this notice of assignment,
- (b) You will not claim or exercise any set-off or counterclaim in respect of sums payable under the Document,
- (c) You have not received any other notice of assignment or charge of the Document or that any third party has or will have any right or interest whatsoever in, or has made or will be making any claim or demand or taking any action whatsoever in respect of the Document, and
- (d) You agree to and will comply with the other provisions of this notice of assignment

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at 9th floor, 280 Bishopsgate, EC2M 4RB marked for the attention of Matthew Dredge with a copy to Hogan Lovells LLP at Atlantic House, Holborn Viaduct, London EC1A 2FG (reference F3AW/VALLIERI)

Signed

For and on behalf of

Insert name of Chargor

[On Duplicate

To. The Royal Bank of Scotland plc (as Security Agent)

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in the notice of assignment

Signed Date

For and on behalf of

[Party to Assigned Contract]]

SCHEDULE 4

**Form of Notice of Assignment and
Acknowledgement of Receipt - Assigned Accounts**

[***] (as Account Bank)

For the attention of [***]

201*

Dear Sirs

Notice of Assignment of Accounts

We refer to a debenture dated [•] 2013 (the "**Debenture**") between (1) GHG London Management Limited as operating company, (2) GHG London Realty Limited as borrower, (3) GHG London Holdings Limited as parent and (2) The Royal Bank of Scotland plc as security agent and trustee for the Secured Parties (as defined in the Debenture) (the "**Security Agent**") Terms defined in the Debenture are to have the same meanings in this letter unless the context otherwise requires

We hereby give you notice that we have charged to the Security Agent all our right, title and interest in respect of our bank accounts, including bank account[s] [•] with number[s] [•] (the "**Charged Account(s)**"), the balances of the Charged Account(s) and all our rights, title, benefit and interest whatsoever, present and future, in and to such balances, including all our interests and rights (if any) in or to any money at any time standing to the credit of our Charged Account(s)

- 1 We hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given you to the contrary)
 - (a) to disclose to the Security Agent, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to our Charged Account(s) and the amount from time to time standing to its credit as the Security Agent may, at any time and from time to time, request you to disclose to it,
 - (b) at any time after the Security Agent has notified you that the Debenture has become enforceable following an Event of Default
 - (i) at any time and from time to time upon receipt by you of instructions in writing from the Security Agent, to pay or release to the Security Agent all or any of the money standing to the credit of our Charged Account(s) and generally to act in accordance with such instructions in relation to our Charged Account(s), without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions or their validity,
 - (ii) to comply with the terms of any written instructions in any way relating or purporting to relate to our Charged Account(s) which you may receive at any time and from time to time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for such notice, statement or instructions or its or their validity, and

- (iii) not to act upon our instructions with regard to our Charged Account(s) unless and until the Security Agent confirms those instructions to you in writing and, in particular but without limitation, in these circumstances no Chargor shall be permitted to withdraw any amount from any Charged Account without the prior written consent of the Security Agent

2 You agree not to claim or exercise any security interest in, set-off, counterclaim or other rights in respect of any Charged Account

The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by and construed in accordance with English law

Please will you acknowledge receipt of this letter and confirm your acceptance of the instructions and authorisations contained in it by signing and returning to the Security Agent the attached copy of this letter.

Yours faithfully

For and on behalf of

[Chargor]

[On copy]

For the benefit of the Security Agent (for itself and on behalf of the Secured Parties) we

- (a) hereby acknowledge receipt of this letter, and
- (b) accept the instructions contained in the letter and agree to act in accordance with them.

We also confirm that we have not received notice of any interest of any third party in any of the Charged Account(s)

For and on behalf of [***] (as Account Bank)

SCHEDULE 5

Shares

Number of Shares	Denomination and Class of Shares	Name of Issuer
1	Ordinary share of £1	GHG London Management Limited

EXECUTION PAGE

Chargors

Executed and Delivered as a deed by)
GHG London Realty Limited (pursuant)
to a resolution of its Board of Directors)
acting by)

Director



Director/Secretary



Address details

Clinch's Hawk
Lnd Street
Douglas
The Mall
W9 1RZ

Executed and Delivered as a deed by)
GHG London Holdings Limited)
(pursuant to a resolution of its Board of)
Directors) acting by)

Director



Director/Secretary



Address details

Clinch's Hawk
Lnd Street
Douglas
The Mall
W9 1RZ

Executed and Delivered as a deed by)
GHG London Management Limited)
(pursuant to a resolution of its Board of)
Directors) acting by)

Director

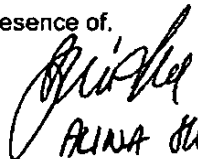
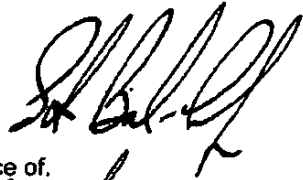
In the presence of,

Witness

Name

Address

Occupation:



ANNA SMITH

Withers LLP, 16 Old Bailey, London EC4A 3EG

Solicitor of England and Wales

Address details.

THE SECURITY AGENT

Executed and delivered as a deed)
by The Royal Bank of Scotland)
plc (as Security Agent for and on)
behalf the Secured Parties)

Authorised signatory

Authorised signatory

Address details

9th floor, 280 Bishopsgate, EC2M 4RB

Fax +44 (0)207 672 2187

Attention Matthew Dredge

- 33 -

Executed and Delivered as a deed by
GHG London Management Limited
(pursuant to a resolution of its Board of
Directors) acting by

)
)
)
)

Director

In the presence of

Witness:

Name

Address:

Occupation:

Address details

THE SECURITY AGENT


Executed and delivered as a deed
by **The Royal Bank of Scotland**
plc (as Security Agent for and on
behalf the Secured Parties)

)
)

Authorised signatory



Authorised signatory



Address details

9th floor, 280 Bishopsgate, EC2M 4RB

Fax. +44 (0)207 672 2187

Attention Matthew Dredge