

MR01

Particulars of a charge

150594/13



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

You can use the WebFiling s
Please go to www.companies

☒ **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
instrument Use form MR08

TUESDAY



LD4

"L3A9IRL5"

17/06/2014

#14

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 9 0 5 8 2 0 5
Company name in full LTH (LONDON STREET) LIMITED

For official use

→ **Filling 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 d1 d6 m0 m6 y2 y0 y1 y4

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 SANNE FIDUCIARY SERVICES LIMITED
(AS SECURITY AGENT)

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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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

(i) Freehold land known as 12-20 (inclusive) London Street, London W2 1HL registered at the Land Registry with title absolute under title numbers LN53375, LN63425, 439373, 435496, LN174607, LN153345, LN181158, LN214499 and LN236213.

(ii) its interest in any freehold or leasehold property acquired after the date of this Deed;

(ii) all fixtures, fittings, plant, machinery, manuals and other chattels present and future in respect of any Charged Property and all guarantees and warranties in respect of any of them;

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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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 *Bernard Houghton Paines Ltd* 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 RTHM/26950.00014

Company name Berwin Leighton Paisner LLP

Address Adelaide House

London Bridge

Post town London

County/Region

Postcode

E	C	4	R		9	H	A
---	---	---	---	--	---	---	---

Country

DX 92 LONDON/CHANCERY LN

Telephone +44 (0)20 3400 1000

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 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: 9058205

Charge code: 0905 8205 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th June 2014 and created by LTH (LONDON STREET) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th June 2014.

Df

Given at Companies House, Cardiff on 20th June 2014



Companies House



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

DATED 16 JUNE 2014

LTH (LONDON STREET) LIMITED
as Chargor

SANNE FIDUCIARY SERVICES LIMITED
as Security Agent

DEBENTURE

We certify that, save for material redacted pursuant to s 859G
Companies Act 2006, this copy instrument is a correct copy
of the original instrument

Berwin Leighton Paisner LLP
Berwin Leighton Paisner LLP

Adelaide House
London Bridge
London EC4R 9HA



Berwin Leighton Paisner LLP
Adelaide House London Bridge London EC4R 9HA
Tel +44 (0)20 3400 1000 Fax +44 (0)20 3400 1111

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DATED 16 June 2014

PARTIES

- (1) **LTH (LONDON STREET) LIMITED** (company number 09058205) whose registered office is at 8 – 14 Talbot Square, London, W2 1TS (the “Chargor”)
- (2) **SANNE FIDUCIARY SERVICES LIMITED** as security trustee for the Finance Parties (the “Security Agent”)

BACKGROUND

- (A) The Finance Parties have agreed to advance or to continue to advance monies or otherwise arrange credit or afford other financial facilities to the Borrower and/or others on the security created by this Deed
- (B) The Chargor has agreed to charge certain of its assets as security to the Security Agent as set out in this Deed to secure the payment and discharge of the Secured Liabilities.

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

“**Borrower**” means LTH (Paddington) Limited (company number 09055962).

“**Control Accounts**” means the accounts details of which are set out in Schedule 1, Part 2 (*The Control Accounts*)

“**Actual Operating Income**” means, the aggregate of:

- (a) EBITDA; and
- (b) Net Rental Income.

“**Act**” means the Law of Property Act 1925.

“**Charged Assets**” means each and all of the assets, property, undertaking and other interests from time to time assigned or charged or intended to be assigned or charged by this Deed and the subject matter of each of them.

“**Charged Property**” means any freehold or leasehold property from time to time charged pursuant to this Deed.

“**Development Documents**” means any building contracts, sub-contracts, appointments, collateral warranties and other contracts entered into or to be entered into by the Chargor in respect of a Property.

“**EBITDA**” shall have the meaning ascribed to it by the Facility Agreement.

“**Facility Agreement**” means a facility agreement dated 6 June 2014 and made between amongst others the Security Agent (1) and the Chargor (2) and any

agreement entered into under or supplemental to it or amending, restating or novating it.

"Finance Document" shall have the meaning ascribed to it by the Facility Agreement.

"Finance Party" shall have the meaning ascribed to it by the Facility Agreement

"Franchise Agreement" means the franchise agreement relating to the Indigo Paddington Hotel dated 27 February 2008 entered into between London Town Hotels Limited (1) and Six Continents Hotel, Inc. (2) as novated to the Chargor under a novation agreement dated on or about the date hereof.

"Hedging Arrangement" means any currency swap or interest rate hedging arrangement in relation to currency fluctuations or interest payments entered into or to be entered into by the Chargor.

"Insurance Policy" means any policy of insurance in which the Chargor may at any time have an interest relating to any Charged Property.

"Intellectual Property" means any rights in respect of any patent, copyright, trade mark, trade name, service mark, invention, design, knowhow, confidential information, domain names or any other kind of intellectual property whether registered or unregistered and any registration or application relating to any of the foregoing.

"Investments" means the existing or future interest of the relevant person in:

- (a) any stocks, shares, bonds, units or any form of loan or other capital of or in any legal entity; and
- (b) any warrant or other right to acquire any such investment,

in each case, including any income, offer, right or benefit in respect of any such investment.

"Licences" means each and all of the grants, authorities, licences, quotas, certificates and justices and excise licences now or in the future attached to the Charged Assets and/or the business of the Chargor.

"Net Rental Income" shall have the meaning ascribed to it by the Facility Agreement.

"Occupational Lease" means any lease, agreement for lease, licence, tenancy or other occupational arrangement or right to receive rent to which the Property is or may be subject from time to time including any guarantee and rent deposit arrangements entered into under the terms of them, and **"Occupational Leases"** shall be construed accordingly.

"Party" means a party to this Deed.

"Property" means the property details of which are set out in Schedule 1, Part 1 (*The Property*) together with any new property acquired by the Chargor and in each case which are charged to the Security Agent including all.

- (a) land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future;

- (b) buildings, fixtures (including trade fixtures) and fixed plant and machinery and other structures now or in future on it; and
- (c) easements, access rights, rights of way, wayleaves and rights attaching to it,

but excluding any property which is released from the charge in favour of the Security Agent.

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

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

"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; and
- (d) all monies and proceeds paid or payable in respect of that asset,

both present and future (including all rights against any trustee, nominee, fiduciary or clearing system).

"Relevant Contracts" means each and all of the following both present and future:

- (a) the Development Documents,
- (b) any Sale Agreement,
- (c) each Occupational Lease;
- (d) the Licences;
- (e) the Franchise Agreement;
- (f) any managing agent's agreement; and
- (g) Reorganisation Documents,

in each case, including any guarantees or sureties entered into in respect of them

"Rental Income" means the aggregate of all amounts paid or payable to or for the benefit or account of the Chargor arising from or in connection with the Property (including, without limitation, the letting, use or occupation thereof), including, (without duplication or limiting its generality) the following:

- (a) rent (and any amount equivalent thereto) (including for the avoidance of doubt any turnover or notional rent) and licence fees paid or payable (including, without limitation, any amounts payable under any Occupational Lease by a tenant exercising a break option) and including, without limitation, any rent received as ground rent;
- (b) any amounts due to the Chargor from the tenants of the Property or other occupiers thereof by way of contribution to (or reimbursement of) insurance premiums and the cost of insurance valuations or by way of service charges;
- (c) any money paid to or for the account of the Borrower as reimbursement of costs paid by the Borrower or on its behalf in connection with the Property;
- (d) any contribution to a sinking fund or reserve fund paid by any tenant or other occupier of the Property;
- (e) any amounts properly due from any tenants or occupiers of the Property as a contribution to or in discharge of:
- (f) any rating liability; and/or
- (g) such other liability in respect of tax and/or other outgoings as may be imposed from time to time, in respect of the Property;
- (h) any increase of rent paid or payable by virtue of an offer falling within the proviso of section 3(1) of the Landlord and Tenant Act 1927;
- (i) any rent paid or payable by virtue of a determination made by the Court under section 24(A) of the Landlord and Tenant Act 1954;
- (j) any sum received from any deposit held as security for performance of any tenant's obligations;
- (k) any other monies paid or payable in respect of occupation and/or usage of the Property and every fixture and fitting therein and any and every fixture thereon for display or advertisement, on licence or otherwise;
- (l) any sum paid or payable by any guarantor of any occupational tenant under any Occupational Lease;
- (m) any profits awarded or paid or agreed to be payable as a result of any proceedings taken or claim made for the same;
- (n) any damages, compensation, settlement or expenses for or representing loss of rent or interest thereon awarded or paid or agreed to be payable as a result of any proceedings taken or claim made for the same net of any costs, fees and expenses paid (and which have not been reimbursed to, and which are not recoverable by, the Borrower from any party) in furtherance of such proceedings so taken or claim so made,
- (o) any monies paid or payable under any policy of insurance in respect of loss of rent or interest thereon;
- (p) any sum paid or payable or the value of any consideration to be given by or on behalf of a tenant for the surrender or variation of any Occupational

Lease or occupancy agreement or in respect of the extension, termination or grant of any Occupational Lease;

- (q) any interest paid or payable on any sum referred to above and any damages, compensation or settlement payable in respect of the same,
- (r) any other income deriving from or in respect of the Property; and
- (s) any VAT received in respect of the above.

"Reorganisation Documents" means:

- (a) the business transfer agreement dated on or around the date of this Agreement made between the Seller (as seller) and LTH (Paddington) Limited (as buyer);
- (b) the business transfer agreement dated on or around the date of this Agreement made between LTH (Paddington) Limited (as seller) and LTH (London Street) Limited (as buyer),
- (c) each novation agreement in respect of the Commercial Properties Management Agreements dated on or around the date of this Agreement made between Meghraj Properties Limited and the Hotel Owners;
- (d) the novation agreement in respect of the Franchise Agreement dated on or around the date of this Agreement made between the Franchisor and the Chargor;
- (e) the central services management agreement between London Town Group of Companies Limited and the Chargor; and
- (f) any other document designated as such in writing by the Agent and the relevant Borrower Party

"Sale Agreement" means any contract for sale of the Property or any part or parts thereof entered into by the Chargor.

"Sale Proceeds" means all capital monies or other sums or other consideration paid or payable in respect of a Sale Agreement or otherwise in connection with the disposal of all or part of the Property.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which shall from time to time (and whether on or at any time after any demand or judgment) be due, owing or incurred from each Transaction Obligor to the Finance Parties under, or in connection with, each Finance Document.

"Subordinated Loans" means the aggregate of any loans or other debt funding owed to any Subordinated Creditor (as lender) by the Obligors, from time to time (including, without limitation, under or pursuant to any Subordinated Loan Agreement).

"VAT" means:

- (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

1.2 Construction

- 1.2.1 Unless the contrary intention is expressed, all defined terms in the Facility Agreement have the same meaning here.
- 1.2.2 The construction provisions set out at clause 1.2 (*Construction*) of the Facility Agreement shall apply equally to this Deed
- 1.2.3 Clause 1.6 (*Agent and Security Agent Approval or Consent*) of the Facility Agreement shall apply to this Deed as if it were set out in full in this Deed except that references to this Agreement shall be deemed to be references to this Deed.
- 1.2.4 If any provision of this Deed shall conflict with any term of the Facility Agreement then the relevant term of the Facility Agreement shall prevail
- 1.2.5 The Chargor gives the same representations and undertakings to the Security Agent as given by the Borrower in clauses 15 (*Representations*) and 18 (*General Undertakings*) including clause 18.5 (*Negative pledge*) of the Facility Agreement in each case as if set out in full and as if each reference to the Borrower in those clauses was a reference to the Chargor.
- 1.2.6 Clauses 20 (*Control Accounts*) and 27 (*Set-off*) of the Facility Agreement are incorporated in this Deed in each case as if set out in full and with necessary changes.

1.3 Disposition of Property

The terms of any other Finance Document and of any side letters between the parties to this Deed are incorporated into each Finance Document to the extent required for the purported disposition of any Property contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 COVENANT FOR PAYMENT

2.1 Covenant to pay

The Chargor covenants with the Security Agent that it will:

- (a) on demand, pay and discharge each and all of the Secured Liabilities when due; and
- (b) indemnify and keep each Finance Party indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any covenants or other obligations of the Chargor to that Finance Party.

2.2 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 Charged Assets.

3 SECURITY

3.1 General

All the security created under this Deed is created in favour of the Security Agent as continuing security for the payment and discharge of the Secured Liabilities with full title guarantee.

3.2 Mortgage

The Chargor charges by way of legal mortgage:

- (a) the Property; and
- (b) any other freehold or leasehold property now vested in the Chargor.

3.3 Fixed charge

The Chargor charges by way of fixed charge each of the following including all rights of enforcement of the same:

- (a) its interest in any freehold or leasehold property acquired after the date of this Deed;
- (b) its interest in the Relevant Contracts;
- (c) all fixtures, fittings, plant, machinery, manuals and other chattels present and future in respect of any Charged Property and all guarantees and warranties in respect of any of them;
- (d) all easements, licences and other rights present and future relating to any Charged Property in which it has an interest;
- (e) the Control Accounts and any other accounts of the Chargor present and future to the extent in either case that they are maintained with the Security Agent or any other Finance Party and the debts represented by them,
- (f) the Investments;
- (g) its Intellectual Property present and future;
- (h) if applicable its uncalled capital;
- (i) its goodwill; and
- (j) all Related Rights in respect of the above.

3.4 Assignment

The Chargor assigns absolutely subject to the provisions of Clause 10 (*Discharge*) each of the following including all rights of enforcement of the same:

- (a) all Rental Income present and future;
- (b) all Actual Operating Income present and future;
- (c) the Sale Proceeds;
- (d) all book debts and other debts present and future payable to the Chargor;
- (e) the Control Accounts and any other accounts of the Chargor present and future not charged by Clause 3.3 (*Fixed charge*) and the debts represented by them;
- (f) all monies payable to it under any Insurance Policies;
- (g) the benefit of the copyright and similar rights vested in it, present and future, in connection with any Charged Property,
- (h) all causes of action and other rights and remedies in which it has an interest at any time;
- (i) all monies payable to it under any Hedging Arrangement present and future,
- (j) the benefit of any monies paid or payable to it from time to time by way of compensation, endowment, gift, grant or otherwise;
- (k) its interest from time to time in any VAT recoveries;
- (l) all Related Rights in respect of the above; and
- (m) all Subordinated Loans.

3.5 Floating charge

The Chargor charges by way of floating charge all its assets, property and undertaking both present and future.

3.6 Application of charges

The charges created under this Deed expressed to be:

- (a) fixed charges, shall only apply to the extent that they create fixed security; and
- (b) floating charges, shall not apply to any Charged Asset which is the subject of any fixed security under this Deed.

4 CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation by notice

The Security Agent may at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.5 (*Floating charge*) with immediate effect into a fixed charge as regards any Charged Assets specified in the notice if:

- (a) an Event of Default is continuing; or

- (b) the Security Agent has reasonable grounds for considering that any of the Charged Assets may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of legal process.

4.2 Automatic crystallisation

Notwithstanding Clause 4.1 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 3.5 (*Floating charge*) will convert automatically with immediate effect into fixed charges as regards all the assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security (other than Permitted Security Interest) over any Charged Assets;
- (b) any steps are taken (including the giving of notice, the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or receiver in respect of the Chargor or over all or any part of its assets, or if such person is appointed,
- (c) any other floating charge over any of the Charged Assets crystallises; or
- (d) in any other circumstances prescribed by law

5 PERFECTION OF SECURITY

5.1 Insolvency Act

For the purposes of paragraph 43 of schedule A1 to the Insolvency Act 1986 nothing in this Deed shall provide for:

- (a) the obtaining of a moratorium in respect of the Chargor pursuant to section 1A of the Insolvency Act 1986; or
- (b) anything done with a view to obtaining such a moratorium,

to be an event causing the floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to being imposed on the disposal of property by the Chargor or a ground for the appointment of a Receiver.

5.2 Further assurance

The Chargor shall execute and do at its own cost and in such form as is reasonably required by the Security Agent:

- (a) such further additional mortgages, charges, assignments, transfers and conveyances; and
- (b) such assurances, deeds, documents, acts and things,

as the Security Agent may reasonably require to perfect or protect the security created by this Deed and/or to facilitate or effect any dealing with the Charged Assets in connection with this Deed.

5.3 Notices

5.3.1 If the Security Agent so requests, the Chargor shall serve a notice in the form set out in.

- (a) Schedule 3, Part 1 (*Notice of assignment or charge of contract*) in respect of contracts charged or assigned pursuant to Clause 3 (*Security*); or
- (b) Schedule 3, Part 2 (*Notice of account assignment*) in respect of Control Accounts assigned pursuant to Clause 3.4(e).

5.3.2 The Chargor shall use all reasonable endeavours to procure that the party to whom a notice served pursuant to Clause 5.3.1 is addressed completes and returns to the Security Agent an acknowledgement in the form of Part B of the relevant notice.

5.4 Restriction

5.4.1 The Chargor authorises the Security Agent to make an application on Form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction against the relevant registered estates:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] 2014 in favour of Sanne Fiduciary Services Limited referred to in the Charges Register (or its conveyancer)."

5.4.2 The Chargor authorises the Security Agent to apply to the Land Registry to enter the obligation to make further advances on the charges register of the relevant registered estate.

6 INVESTMENTS

6.1 Investment title documentation

Upon execution of this Deed (or immediately upon the acquisition of the relevant Investment if that acquisition follows the date of this Deed) and notwithstanding any other term of the Finance Documents, the Chargor will deposit with the Security Agent in respect of each Investment:

- (a) all certificates, warrants or other documents of title;
- (b) duly executed undated blank stock transfer forms; and
- (c) forms of waiver of any pre-emption rights and any other documents and consents necessary to enable such transfers to be registered by the Security Agent.

6.2 Voting prior to a Default

Prior to an Event of Default which is continuing, the Chargor may continue to exercise all voting and other rights (including the right to collect dividends, interest, principal or other payments of money) relating to the Investments provided that such rights are not exercised in a way which (and the Chargor shall not permit anything which):

- (a) jeopardises the security constituted by the Finance Documents;

- (b) varies the rights attaching to the Investments; or
- (c) relates to a participation in a rights issue or to receiving dividends other than in cash or concerns a merger, consolidation, allotment of shares, change to constitutional documents, transfer of ownership (legal or beneficial), insolvency or matters which would otherwise be prohibited by the Finance Documents.

6.3 Voting after a Default

- 6.3.1 Following an Event of Default which is continuing, the Security Agent may (without notice to or consent from the Chargor and in the Chargor's name or otherwise) exercise any rights (including the right to collect dividends, interest, principal or other payments of money but excluding the right to vote) in respect of the Investments and may do anything necessary to complete any transfer form in favour of itself or otherwise.
- 6.3.2 Following an Event of Default which is continuing and the service of notice upon the Chargor, the Security Agent may (without consent from the Chargor and in the Chargor's name or otherwise) exercise any right to vote in respect of the Investments.

6.4 Obligations

The Chargor shall promptly pay all calls, costs and/or other payments in respect of the Investments and shall give to the Agent and the Security Agent, at the time of issue, copies of all information, offers, notices or other materials supplied to the members of the issuers of the Investments and shall advise the Agent and the Security Agent promptly of any material occurrence affecting the Investments or any other part of the security granted to the Security Agent and shall give to the Agent and the Security Agent such information as they may reasonably require relating to the Investments.

7 RIGHTS OF ENFORCEMENT

7.1 Enforcement

- 7.1.1 The Secured Liabilities shall be deemed to have become due for the purposes of section 101 of the Act immediately upon the date of this Deed.
- 7.1.2 The enforcement powers of the Security Agent in connection with this Deed shall be immediately exercisable:
 - (a) upon an Event of Default which is continuing; or
 - (b) at the Security Agent's discretion, at the request of the Chargor.
- 7.1.3 The restrictions imposed by section 103 of the Act shall not apply to the security created by this Deed.
- 7.1.4 In addition to all other protection afforded by statute, every purchaser (as defined by section 205 of the Act) or other party dealing with the Security Agent or any Receiver shall be entitled to assume without enquiry that an Event of Default has occurred, that the Secured Liabilities are outstanding and have become due and that the floating charge created by this Deed has crystallised.

7.2 Security Agent's and Receiver's powers and rights

7.2.1 At any time after the security constituted by this Deed becomes enforceable, the Security Agent shall have the power:

- (a) to appoint a Receiver of the whole or any part of the Charged Assets and (so far as the law allows) to remove and/or substitute any such appointee;
- (b) to appropriate any Charged Assets in accordance with Clause 7.3 (*Right of appropriation*), and
- (c) if this Deed contains a qualifying floating charge for the purposes of the Insolvency Act 1986, to appoint an administrator of the Chargor, and paragraph 14 of schedule B1 of the Insolvency Act 1986 shall apply to this Deed.

7.2.2 At any time after the security constituted by this Deed becomes enforceable, the Security Agent (without becoming a mortgagee in possession) and/or any Receiver (without personal liability) shall have the power to exercise.

- (a) all statutory and other powers and rights (including the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act 1986 whether or not the Security Agent and/or any Receiver is an administrative receiver); and
- (b) the powers and rights specified in Schedule 1 (*Security Agent's and Receiver's powers*),

and may exercise them in the name of the Chargor and in such manner and on such terms as the person exercising them shall in its sole absolute discretion consider appropriate.

7.3 Right of appropriation

To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under it constitute a "financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Security Agent shall, at any time after the security constituted by this Deed becomes enforceable, have the right to appropriate all or any part of it in or towards discharge of the Secured Liabilities and transfer title in and to it to the Security Agent. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the market price determined by the Security Agent by reference to a public index or by such other process as the Security Agent may select, including independent valuation

In each case, the Parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

7.4 Receiver as agent

So far as the law allows, a Receiver shall be the agent of the Chargor, who shall be solely liable for his acts, defaults and remuneration, but the Security Agent shall be entitled to agree the fees and expenses of and the mode of payment to the Receiver.

7.5 Further powers

If the Chargor defaults in the observance and performance of any obligation to the Security Agent, the Security Agent or its agents (without any of them becoming a mortgagee in possession) may at any time after the security constituted by this Deed becomes enforceable (but shall not be obliged to) do such things as it considers necessary to remedy the default.

7.6 Power of attorney

7.6.1 The Chargor by way of security irrevocably appoints the Security Agent and every Receiver jointly and severally to be its attorney (with full power of substitution) in its name and on its behalf to execute and deliver any documents and do or perfect anything which (a) the Chargor is obliged to do under this Deed but has failed to do, or (b) after a Default has occurred which is continuing, anything which the Security Agent and/or the Receiver shall consider appropriate for perfecting, maintaining, preserving, enhancing or enforcing the security created by this Deed and/or the value of any of the Charged Assets and/or for the purpose of enforcing the performance of the Chargor's obligations in connection with this Deed.

7.6.2 The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of its powers

8 APPLICATION OF RECEIPTS

8.1 Priority of payment

Subject to sums secured by charges having priority to the charges created by this Deed, all monies received by the Security Agent and/or any Receiver in the enforcement of this Deed shall (subject as follows) be applied in the following order, in payment.

- (a) **firstly**, of all fees, costs, charges, taxes, liabilities and expenses in relation to any enforcement of this Deed (including in relation to any Receiver whether on its own behalf or on behalf of the Chargor or otherwise);
- (b) **secondly**, (in so far as not contemplated by Clause 8.1(a)) of all fees, costs, charges, taxes, liabilities and expenses and other sums of the Security Agent (in its capacity as trustee) in relation to the Finance Documents; and
- (c) **finally**, to the Agent for distribution in accordance with the Facility Agreement.

8.2 Crediting to suspense account

The Security Agent or any Receiver may credit any monies received from the enforcement of this Deed to any suspense account in any manner and for such period as the Security Agent or that Receiver thinks fit.

9 NOTICES

The provisions as to notices set out in the Facility Agreement will apply to this Deed as if set out in full here and as if each reference to the "Borrower" is a reference to the "Chargor".

10 DISCHARGE

10.1.1 If the Security Agent is satisfied that the Secured Liabilities have been unconditionally and irrevocably paid, repaid and discharged in full, the Security Agent will, at the request and cost of the Chargor, discharge this Deed.

10.1.2 No discharge will be of any effect if any security or payment given or made in respect of the Secured Liabilities is rescinded, avoided, reduced or invalidated whether in respect of any insolvency or otherwise

11 GENERAL PROVISIONS

11.1 Trust provisions

The covenants, undertakings and representations made by the Chargor under this Deed are made in favour of the Security Agent as security trustee for the Finance Parties.

11.2 Immediate recourse

It shall not be necessary for the Security Agent before taking any enforcement under this Deed to enforce or seek to enforce any guarantee or other security or other rights whether from or against the Chargor or any other person.

11.3 Exercise of powers and liability

11.3.1 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.

11.3.2 The Security Agent may, at any time after this Deed has become enforceable, redeem or transfer to itself any prior Security against the Charged Assets and may settle and pay the accounts of the prior chargee (which shall be binding on the Chargor). All principal monies, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be paid by the Chargor to the Security Agent on demand.

11.3.3 None of the provisions of this Deed shall be deemed to impose on the Finance Parties or imply on their part any obligation or other liability in relation to the Charged Assets.

11.4 Tacking

Each Finance Party must perform its obligations under the Facility Agreement (including any obligation to make further advances)

11.5 New Accounts

On receiving notice that the whole or any part of the Charged Assets has been encumbered by any Security or disposed of:

- (a) a Finance Party may close the Chargor's then subsisting account and open a new account with the Chargor, and (unless the relevant Finance Party gives the Chargor written notice otherwise) shall be deemed to have done so;
- (b) all payments made to a Finance Party after that date will be credited (or be treated as having been credited) to the new account; and
- (c) no money credited or treated as credited to the new account shall reduce the Secured Liabilities.

11.6 Consolidation

The restriction on the right of consolidating mortgage securities contained in section 93 of the Act shall not apply to the security created by this Deed.

11.7 Rights of third parties

11.7.1 Unless the right of enforcement is expressly granted, it is not intended that a third party should have the right to enforce a provision of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.

11.7.2 The Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of a third party to whom an express right to enforce any of its terms has been provided.

11.8 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

11.9 Counterparts

This Deed may be executed in any number of counterparts. This shall have the same effect as if the signatures on the counterparts were on a single copy of this Deed.

12 LAW AND JURISDICTION

12.1 Governing law

This Deed and any non-contractual obligations arising out of or in relation to this Deed, shall be governed by English law.

This Deed has been executed as a deed and delivered on the date stated at the beginning of this Deed.

Schedule 1
The Property and the Control Accounts

Part 1
The Property

Freehold land known as 12-20 (inclusive) London Street, London W2 1HL registered at the Land Registry with title absolute under title numbers LN53375, LN63425, 439373, 435496, LN174607, LN153345, LN181158, LN214499 and LN236213.

Part 2
The Control Accounts

Account Name	Account Bank	Account Number	Sort Code
Indigo Operating Account	National Westminster Bank plc		
Indigo Paddington FF&E Account	National Westminster Bank plc		

Schedule 2
Security Agent's and Receiver's powers

1 Conduct of business

(a) Carry on business

To carry on, manage, develop, reconstruct, amalgamate, diversify and/or conduct the business of the Chargor in all respects and for such purpose to:

(i) enter upon and take possession, get in, collect or otherwise assume control in respect of all or any of the Charged Assets; and/or

(ii) acquire any property, chattels, plant, machinery and materials

(b) Formation of companies

To promote the formation of companies with a view to the same purchasing, leasing, licensing or otherwise acquiring any of the Charged Assets and to arrange for such companies to trade or cease to trade in all cases

(c) Compromise claims

To compromise any claim relating to the Charged Assets.

(d) Borrowing and advancing

To borrow, raise or advance money whether or not in priority to the Secured Liabilities and with or without security.

(e) VAT

To assume and exercise all or any of the power and rights conferred on the Chargor in respect of its value added tax status, liabilities, advantages or arrangements.

(f) Employees

To:

(i) enter into, adopt and/or terminate any contract of employment; and

(ii) employ solicitors, architects, surveyors, quantity surveyors, estate agents, contractors, builders, workmen, stockbrokers and others.

2 Dealing with the Chargor's assets

(a) Possession

To enter upon and take possession of, get in, use and/or collect any Charged Asset.

(b) Payments

To pay any rent or other outgoings and payments charged on or otherwise relating to the Charged Assets or their ownership, occupation or use.

- (c) Receipts
To give receipts and releases for any sums received.
 - (d) Carry on works
To undertake any works, demolition, building, reconstruction, improvement, repair or decoration in respect of any of the Charged Assets which consist of property, buildings, structures, plant, machinery or equipment as it thinks fit and whether or not in accordance with any obligations imposed by the Facility Agreement.
 - (e) Assumption of rights
To assume, exercise, cancel and/or vary all or any of the powers and rights conferred on the Chargor under any Charged Asset.
 - (f) Insurance
To effect insurances on such terms as it thinks fit.
 - (g) Planning permissions and consents
To obtain all necessary planning permissions, building regulation approvals and other permissions, consents or licences in relation to any development or use of the Charged Assets.
 - (h) Acquisition of property
To acquire any adjoining property and/or easements, interests or estates in property and to grant easements and rights.
 - (i) Negotiation
To negotiate and conclude reviews of rent and otherwise deal in relation to the Occupational Leases and the tenants' and guarantors' respective obligations under them and to deal in relation to the Franchise Agreements.
- 3 Disposals**
- (a) Selling
To sell or otherwise realise and deal with, and transfer title to, the Charged Assets, in return for such consideration as it thinks fit and whether or not:
 - (i) for immediate or deferred consideration;
 - (ii) in return for a single payment or instalments; and
 - (iii) for consideration wholly or partly in cash, property or securities in whatever form,and in all cases the terms of which shall bind any subsequent mortgagee.

(b) **Leasing**

To grant, create or surrender any lease, tenancy, licence or other agreement relating to the disposal of or other dealing with the Charged Assets on such terms as it thinks fit and:

- (i) with or without any rent, review of rent, fine or premium; and
- (ii) whether absolutely or for a term,

and in all cases the terms of which shall bind any subsequent mortgagee.

4 General

(a) **General powers**

To do or abstain from doing all such things as it considers necessary or desirable for perfecting, maintaining, preserving or enhancing the value of any of the Charged Assets or for or in connection with the enforcement of the security charges created by this Deed or the realisation of any of the Charged Assets, whether or not in accordance with the Facility Agreement, including:

- (i) executing, delivering and completing all or any deeds or other documents;
- (ii) using the name of the Chargor in connection with any of the purposes in this Schedule 1 (*Security Agent's and Receiver's powers*),
- (iii) commencing, carrying out and completing any acts, matters, proceedings in relation to any Charged Asset as if it were the sole and absolute beneficial owner of the Charged Assets; and
- (iv) obtaining, entering into and maintaining any bonds, covenants, commitments, engagements, guarantees and indemnities or other like arrangements.

(b) **General**

All its powers and discretions under this Deed shall be:

- (i) exercisable on such terms and conditions and otherwise as it may think fit; and
- (ii) as if it were the absolute and beneficial owner.

**Schedule 3
Notices**

Part 1

Notice of assignment or charge of contract

Part A

From: LTH (London Street) Limited (the "Chargor")

To: [Details of Party to Contract]

Date: [●]

Dear Sirs

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

We refer to:

- (a) the Contract; and
- (b) Debenture (the "Security Deed") dated [●] 2014 made between Sanne Fiduciary Services Limited (the "Security Agent") (1) and the Chargor (2).

We give you notice that pursuant to the Security Deed, we have [charged/assigned]¹ all of our present and future right, title, interest and benefit in, under and to the Contract (including all [monies] [rent] payable to us under the Contract) to the Security Agent.

We irrevocably and unconditionally instruct and authorise you:

- (a) to make all payments in connection with the Contract as the Security Agent may direct. [Until you are notified otherwise by the Security Agent, the Security Agent directs such sums to be paid to [insert Chargor bank details]];
- (b) that all our rights in connection with the Contract are exercisable by (or with the consent of) the Security Agent. [Until you are notified otherwise by the Security Agent, the Security Agent directs that all such rights powers, discretions and remedies shall continue to be exercisable by us]; and
- (c) to disclose any information relating to the Contract which the Security Agent may from time to time request.

No amendment, waiver or release of any right or obligation in connection with the Contract and no termination or rescission of the Contract by us shall be effective without the prior written consent of the Security Agent and in any event no such termination or rescission shall be effective unless you have given notice to the Security Agent.

Notwithstanding anything in this notice or otherwise we (and not the Security Agent nor its appointees) shall be liable under the Contract to perform all the obligations assumed by us under it.

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.

¹ Delete as appropriate.

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

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent

Signed
For and on behalf of the Chargor

Part B - Receipt of notice of assignment or charge of Contract

From: [Details of party to Contract]

To: Security Agent
[Address]

For the attention of [●]

Date: [●]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and further confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Contract; and
- (b) we agree and will comply with the matters set out in that notice.

Signed

For and on behalf of [●]

Part 2
Notice of account assignment

Part A

From. LTH (London Street) Limited (the "Chargor")
To [Details of provider of the relevant Account]

Date: [●]

Dear Sirs

[Description of relevant Account] (the "Account")

We refer to the:

- (a) the Account (which expression shall include all monies standing to the credit of such account now or in the future);
- (b) a debenture (the "Security Deed") dated [●] 2014 made between Sanne Fiduciary Services Limited (the "Security Agent") (1) and the Chargor (2).

We give you notice that pursuant to the Security Deed, all of our present and future right, title, interest and benefit in, under and to the Account were assigned to the Security Agent.

We irrevocably and unconditionally instruct and authorise you.

- (a) [following notification by the Security Agent that the security created by the Security Deed has become enforceable²] not to release any monies from the Account without the prior written consent of the Security Agent;
- (b) [following notification by the Security Agent that the security created by the Security Deed has become enforceable³] that all our rights in connection with the Account are exercisable by (or with the consent of) the Security Agent; and
- (c) to disclose any information relating to the Account which the Security Agent may from time to time request.

By countersigning this letter you confirm that:

- (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against us or the Security Agent in respect of the Account; and
- (b) no amendment, waiver or release of any right or obligation in connection with the Account and no termination or rescission of the Account by us shall be effective without the prior written consent of the Security Agent and in any event no such termination or rescission shall be effective unless you have given notice to the Security Agent.

² To be included for the Operating Account and FF&E Account only

³ To be included for the Operating Account and FF&E Account only

Notwithstanding anything in this notice or otherwise we (and not the Security Agent nor its appointees) shall be liable to perform all the obligations assumed by us in respect of the Account.

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 by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent.

Signed
For and on behalf of the Chargor

Part B - Receipt of notice of account assignment

From: [Details of provider of the relevant Account]

To Security Agent
[Address]

For the attention of [●]

Date. [●]

[Description of relevant Account]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Account; and
- (b) we agree and will comply with the matters set out in that notice.

Signed
For and on behalf of [●]

EXECUTION PAGE

Chargor

Executed as a deed by **LTH (LONDON
STREET) LIMITED** acting by **KOOLESH D
SHAH** in the presence
of _____:

)
)
)
Director

Signature of witness

Name of witness

Address

Occupation:

Address for notices:

8-14 Talbot Square, London, W2 1TS

Fax:

+44 (0)207 229 3333

Attn:

Mr Koolesh D Shah

125 Old Broad Street, London
Schaat .. EC2N 1AB

Security Agent

Executed as a deed by **SANNE FIDUCIARY SERVICES LIMITED**
acting by'

~~Authorised Signatory~~

Authorised Signatory

Address for notices:
13 Castle Street, St Helier, Jersey JE4 5UT

Fax:
+44(0)1534 769770

Telephone:
+44(0)1534 710 207

Attn:
Stephen McKenna