



**Registration of a Charge**

Company name: **RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) HOLDCO GP LIMITED**  
Company number: **09845246**

Received for Electronic Filing: **19/01/2017**



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**Details of Charge**

Date of creation: **11/01/2017**  
Charge code: **0984 5246 0002**  
Persons entitled: **THE ROYAL BANK OF SCOTLAND INTERNATIONAL LIMITED**  
Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

**Chargor acting as a bare trustee for the property.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**DWF LLP**



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

Company number: 9845246

Charge code: 0984 5246 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th January 2017 and created by RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) HOLDCO GP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th January 2017 .

Given at Companies House, Cardiff on 19th January 2017

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



Certified to be a true copy of the original  
DWF LLP  
20 Fenchurch Street  
London  
EC3M 3AG

15/1/2017 *[Signature]*

11 January <sup>2017</sup>~~2016~~ *[Signature]*

(1) RIVERSIDE CAPITAL (TVL PORTFOLIO 1) LP  
(acting by its general partner  
RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) HOLDCO GP LIMITED) AND  
RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) PROPCO GP LIMITED  
as Chargors

and

(2) THE ROYAL BANK OF SCOTLAND INTERNATIONAL LIMITED  
as Security Agent

CHARGE OVER MEMBERSHIP INTERESTS  
in RIVERSIDE CAPITAL (KL) LP

DWF LLP  
20 Fenchurch Street  
London  
EC3M 3AG

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THIS CHARGE OVER MEMBERSHIP INTERESTS is dated <sup>11 January 2017</sup> ~~2016~~ and made between: <sup>DNF UK</sup>

- (1) **RIVERSIDE CAPITAL (TVL PORTFOLIO 1) LP** (a limited partnership registered in Scotland with number SL024544) acting by its general partner **RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) HOLDCO GP LIMITED** (a limited company registered in England and Wales with number 09845246) (the General Partner) and **RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1) PROPCO GP LIMITED** (a limited company registered in England and Wales with number 09845244) (together the **Chargors**); and
- (2) **THE ROYAL BANK OF SCOTLAND INTERNATIONAL LIMITED** (as security trustee for the Secured Parties (as defined below)) (in such capacity, the **Security Agent**).

## TERMS AGREED

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and
- (b) the following terms have the following meanings: Act means the Law of Property Act 1925;

**Default Rate** means the rate of interest determined in accordance with clause 8.4 *Default interest*) of the Facility Agreement;

**Facility Agreement** means the investment facility agreement dated 5 February 2016 and made between the Obligor (pursuant to an accession deed dated on or around the date hereof) and others, Riverside Capital (Travelodge Portfolio 1) Propco GP Limited as Parent, The Royal Bank of Scotland International Limited as Lender, Account Bank and Security Agent and The Royal Bank of Scotland plc as Hedge Counterparty;

**Member Event** means any:

- (a) of the circumstances described in clause 24.8 (*Insolvency*) of the Facility Agreement apply to a Chargor;
- (b) corporate action, legal proceedings or other procedure or step described in clause 24.7 (*Insolvency Proceedings*) of the Facility Agreement has been taken in relation to a Chargor; or

- (c) creditor's process described in clause 24.9 (*Creditor's Process*) of the Facility Agreement has occurred in relation to a Chargor;

**Members' Agreement** means the limited partnership agreement dated 5 February 2016 relating to the Obligor and made between the Chargors in respect of the establishment of the Obligor as a limited partnership;

**Membership Interest** means each Chargor's interest in the Obligor (whether arising under the Members' Agreement, the Limited Partnerships Act 1907 (or any other law or regulation relating to limited liability partnerships) or otherwise), including, without limitation, all of its interest in the capital of, all of its rights to receive the profits of, and all of its rights to receive any distributions of assets, of the Obligor;

**Obligor** means RIVERSIDE CAPITAL (KL) LP a limited partnership registered in England and Wales (registered number LP017096) and whose registered office is Seebeck House 1, 1 Seebeck Place, Knowhill, Milton Keynes, Buckinghamshire, MK5 8FR, United Kingdom;

**Party** means a party to this Deed;

**Receiver** means any receiver, receiver and manager or administrative receiver appointed by the Security Agent under this Deed;

**Related Rights** means:

- (a) all dividends, distributions and other income paid or payable in relation to any Membership Interest or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Membership Interest whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

**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) of each Transaction Obligor to any Secured Party under each Finance Document;

**Secured Parties** has the meaning given to that term in the Facility Agreement;

<b>this Security</b>	means the Security created or evidenced by or pursuant to this Deed;
<b>Security Assets</b>	means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed;
<b>Security Period</b>	means the period beginning on the date of this Deed and ending on the date on which: <ul style="list-style-type: none"><li>(a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and</li><li>(b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents; and</li></ul>
<b>Subordination Agreement</b>	means the subordination agreement dated the date of this deed between The Royal Bank Of Scotland International Limited as Senior Creditor, Riverside Capital (KL) LP a limited partnership acting by its general partner: Riverside Capital (Travelodge Portfolio 1) KL GP Limited as Obligor, and Riverside Capital (TVL Portfolio 1) LP a limited partnership acting through its general partner: Riverside Capital (Travelodge Portfolio 1) Holdco GP Limited as Subordinated Creditor.

## 1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
- (i) any **Chargor**, the **Obligor**, the **Security Agent** or any other **Secured Party** 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) **this Deed**, the **Facility Agreement**, any other **Finance Document** or any other agreement or instrument shall be construed as a reference to this Deed, the Facility Agreement, such other Finance Document or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Obligor or any Chargor or provides for further advances);
  - (iii) **assets** includes any present and future properties, revenues and rights of every description and includes uncalled capital;



- (iv) an Event of Default or Member Event that is continuing shall be construed as meaning an Event of Default or Member Event that has not been waived in writing by the Security Agent to the satisfaction of the Security Agent;
  - (v) **Including or includes** means including or includes without limitation;
  - (vi) **Secured Liabilities** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any person;
  - (vii) a provision of law is a reference to that provision as amended or re-enacted; and
  - (viii) the singular includes the plural and vice versa.
- (b) References to clauses and the schedule are to be construed, unless otherwise stated, as references to clauses and the schedule of this Deed and references to this Deed include its schedule.
  - (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed.
  - (d) Each undertaking of a Charger (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period.
  - (e) If the Security Agent reasonably considers that an amount paid by the Obligor or any Charger to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation, bankruptcy or administration of the Obligor or that Charger, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
  - (f) The Parties intend that this document shall take effect as a deed notwithstanding the
  - (g) fact that a Party may only execute this document under hand.

### 1.3 Joint and several

The liabilities and obligations of each Charger under this Deed are joint and several. Each Charger agrees to be bound by this Deed notwithstanding that any other Charger which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

### 1.4 Trust

All Security and dispositions made or created, and all obligations and undertakings contained, in this Deed to, in favour of or for the benefit of the Security Agent are made, created and entered into in favour of the Security Agent as trustee for the Secured Parties from time to time on the terms of the Facility Agreement.

**1.5 Third party rights**

A person who is not a Party shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

**2. GRANT OF SECURITY**

**2.1 Nature of security**

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Security Agent;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Liabilities.

**2.2 Membership Interests**

Each Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first fixed charge all Membership Interests, together with all Related Rights from time to time relating to those Membership Interests; and
- (b) to the extent not effectively assigned under clause 2.3 (*Members' Agreement*), all its rights and remedies in connection with the Members' Agreement and all proceeds and claims arising from them.

**2.3 Members' Agreement**

Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future rights, title and interest to the Members' Agreement, all rights and remedies in connection with the Members' Agreement and all proceeds and claims arising from them.

**2.4 Notice of assignment**

This Deed constitutes notice of the Security created by each Chargor by or pursuant to this Deed to each other Chargor.

**2.5 Delivery**

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed.

### **3. CONTINUING SECURITY**

#### **3.1 Continuing security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

#### **3.2 Additional and separate security**

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Agent may at any time hold for any Secured Liability.

#### **3.3 Right to enforce**

This Deed may be enforced against each or any Chargor without the Security Agent and/or the other Secured Parties first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

#### **3.4 Limited Recourse**

The recourse of the Security Agent against the Chargors in respect of the Secured Liabilities is limited to the Security Agent's rights of enforcement and recovery against the Security Assets charged under this Deed and, accordingly, the Security Agent agrees that the total amount recoverable against the Chargors under this Deed shall be limited to the proceeds received by the Security Agent in realising the Security Assets in accordance with this Deed.

### **4. LIABILITY OF THE CHARGORS RELATING TO SECURITY ASSETS**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of such condition or obligation.

### **5. REPRESENTATIONS**

#### **5.1 General**

Each Chargor makes the representations and warranties set out in this clause 5 to the Security Agent.

#### **5.2 Status**

- (a) It is a limited liability company or limited partnership (as appropriate), duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

#### **5.3 Binding obligations**

Subject to the Legal Reservations:

- (a) the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and
- (b) without limiting the generality of clause 5.3(a):
  - (i) this Deed creates the Security which it purports to create; and
  - (ii) that Security is valid and effective and is not liable to be avoided or otherwise set aside on its liquidation, administration or otherwise.

**5.4 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

**5.5 Power and authority**

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by it.
- (b) No limit on its powers will be exceeded as a result of the grant of security or giving of guarantees or indemnities contemplated by this Deed.
- (c) It is acting in all matters relating to this Deed for its own account and not as trustee, nominee or agent or in any other capacity whatsoever.

**5.6 Validity and admissibility in evidence**

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
  - (b) to make this Deed admissible in evidence in its jurisdiction of incorporation,
- have been obtained or effected and are in full force and effect.

**5.7 No Security**

The Membership Interests and Related Rights are beneficially owned by the relevant Chargor free from any Security other than as created by this Deed.

**5.8 No proceedings pending or threatened**

No litigation, arbitration or administrative proceeding has currently been started or threatened in relation to any Security Asset.

**5.9 Membership Interests fully paid**

To the extent that a Chargor has been required by the Obligor to make a capital contribution in accordance with clause 3 of the Members' Agreement, the relevant Chargor has made such contribution in full.

**5.10 Governing law and enforcement**

- (a) The choice of English law as the governing law of this Deed will be recognised and enforced in each Chargor's jurisdiction of incorporation.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and enforced in the case of each Chargor's jurisdiction of incorporation.

**5.11 Insolvency**

No Member Event has occurred or been taken, to its knowledge after making due and careful enquiry, or threatened in relation to it.

**5.12 No proceedings pending or threatened**

No litigation, arbitration or administrative proceedings or investigations are currently taking place or threatened in relation to any of the Security Assets.

**5.13 Ranking**

This Security has a first ranking priority and is not subject to any prior ranking or *par passu* Security.

**5.14 Centre of main interest and establishments**

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the Regulation), each Chargor's centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales or Scotland (as applicable) and it has no establishment (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

**5.15 Time when representations made**

- (a) All the representations and warranties in this clause 5 are made by each Chargor on the date of this Deed and are also deemed to be made by each Chargor on:
  - (i) the date of the Utilisation Request and the Utilisation Date; and
  - (ii) each Interest Payment Date.

- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

## **6. UNDERTAKINGS BY THE CHARGORS**

### **6.1 Negative pledge and disposals**

No Chargor shall do or agree to do any of the following without the prior written consent of the Security Agent:

- (a) create or permit to subsist any Security on any Security Asset except as created by this Deed;
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset; or
- (c) take or permit the taking of any action which may result in the rights attaching to any Security Asset being altered.

### **6.2 Notification**

Each Chargor shall:

- (a) notify the Security Agent within 14 days of receipt of every notice received by it in relation to the Security Assets; and
- (b) (if required by the Security Agent) immediately provide it with a copy of that notice and either (A) comply with such notice or (B) make such objections to it as the Security Agent may require or approve.

### **6.3 Calls**

- (a) Each Chargor shall promptly pay all calls or other payments which may become due in respect of its Membership Interests and all other outgoings in respect of its Membership Interests.
- (b) If any Chargor fails to make such payments, the Security Agent may (without prejudice to the rights of the Security Agent under clause 7 (*Power to remedy*)) make such payments on behalf of that Chargor.
- (c) Any sums so paid by the Security Agent shall be repayable by that Chargor to the Security Agent on demand together with interest at the Default Rate (both before and after judgment) from the date on which those payments were made by the Security Agent and otherwise in accordance with clause 8.4 (*Default interest*) of the Facility Agreement.

**6.4 Compliance with laws**

Each Chargor shall comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under bye-laws, regulations or requirements of any competent authority or other approvals, licences and consents.

**6.5 Information**

Each Chargor shall provide the Security Agent with all information which it may reasonably request in relation to the Security Assets including copies of the Members' Agreement

**6.6 Rights in respect of membership interests**

Until an Event of Default or Member Event occurs and subject to the terms of the Facility Agreement and the Subordination Deed, each Chargor shall be entitled to:

- (a) receive and retain all dividends, distributions, profits and other monies paid on or derived from its Membership Interests; and
- (b) exercise all voting and other rights and powers attaching to its Membership Interests provided that it must not do so in a manner which:
  - (i) has the effect of changing the rights attaching to any Membership Interests or of any Related Rights; or
  - (ii) is prejudicial to the interests of the Secured Parties.

**7. POWER TO REMEDY**

**7.1 Power to remedy**

If at any time any Chargor does not comply with any of its obligations under this Deed, the Security Agent (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. Each Chargor irrevocably authorises the Security Agent and its employees and agents by way of security to do all things which are necessary or desirable to rectify that default.

**7.2 Mortgagee in possession**

The exercise of the powers of the Security Agent under this clause 7 shall not render it, or any other Secured Party, liable as a mortgagee in possession.

**7.3 Monies expended**

Each Chargor shall pay to the Security Agent on demand any monies which are expended by the Security Agent in exercising its powers under this clause 7 together with interest at the Default Rate from the date on which those monies were expended by the Security Agent (both before and after judgment) and otherwise in accordance with clause [8.4] (*Default interest*) of the Facility Agreement.

## **8. WHEN SECURITY BECOMES ENFORCEABLE**

### **8.1 When enforceable**

This Security shall become immediately enforceable upon the occurrence of an Event of Default or Member Event and shall remain so for so long as such Event of Default or a Member Event is continuing.

### **8.2 Statutory powers**

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default or Member Event and for so long as such Event of Default or a Member Event is continuing.

### **8.3 Enforcement**

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

## **9. ENFORCEMENT OF SECURITY**

### **9.1 General**

For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

### **9.2 Powers of the Security Agent**

At any time after this Security becomes enforceable, the Security Agent may without further notice (unless required by law):

- (a) (or if so requested by any Chargor by written notice at any time may) appoint any person or persons to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (c) exercise (in the name of any Chargor and without any further consent or authority of that Chargor) any voting rights and any powers or rights which may be exercised by that Chargor in respect of its Membership Interests.

### **9.3 Redemption of prior mortgages**

At any time after this Security has become enforceable, the Security Agent may:



- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on each Chargor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargors to the Security Agent on demand.

#### 9.4 Privileges

- (a) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute financial collateral and this Deed and the obligations of each Chargor under this Deed constitute a security financial collateral arrangement (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Security Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (c) For the purpose of clause 9.4(b), the value of the financial collateral appropriated shall be such amount as the Receiver or the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

#### 9.5 No liability

- (a) Neither the Security Agent, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 9.5(a), neither the Security Agent, any other Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

#### 9.6 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or any Receiver or Delegate or any of its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable; or

- (b) whether any power which the Security Agent or the Receiver is purporting to exercise has become exercisable; or
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to the Security Agent or to the Receiver is to be applied.

## **10. RECEIVER**

### **10.1 Removal and replacement**

The Security Agent may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

### **10.2 Multiple Receivers**

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

### **10.3 Remuneration**

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent (or, failing such agreement, to be fixed by the Security Agent).

### **10.4 Payment by Receiver**

Only monies actually paid by a Receiver to the Security Agent in relation to the Secured Liabilities shall be capable of being applied by the Security Agent in discharge of the Secured Liabilities.

### **10.5 Agent of Chargors**

Any Receiver shall be the agent of each Chargor in respect of which it is appointed. That Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Security Agent shall incur no liability (either to that Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

## **11. POWERS OF RECEIVER**

### **11.1 General powers**

Any Receiver shall have:

- (a) all the powers which are conferred on the Security Agent by clause 9.2 (*Powers of the Security Agent*);

- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

#### 11.2 Additional powers

In addition to the powers referred to in clause 11.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets as he thinks fit;
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation:
  - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
  - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, that Chargor;
- (f) to take any such proceedings (in the name of the relevant Chargors or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed;
- (h) to appoint and employ such managers and officers and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm); and

- (i) to:
  - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
  - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
  - (iii) use the name of any Chargor for any of the above purposes.

## **12. APPLICATION OF PROCEEDS**

### **12.1 Application**

All monies received by the Security Agent or any Receiver under or in connection with this Deed or the Security Assets after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in pursuant to the order contained in Clause 10.1 of the Subordination Agreement.

### **12.2 Contingencies**

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Security Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account provided that once all contingent liabilities under the Finance Documents have irrevocably crystallised, any monies held in that blocked suspense account which are in excess of the amounts due to the Security Agent or any Receiver under the Finance Documents will be transferred by the Security Agent or the Receiver (as the case may be) to the relevant Chargor in accordance with clause 12.1 (*Application*).

### **12.3 Appropriation and suspense account**

- (a) Subject to clause 12.1 (*Application*), the Security Agent shall apply all payments received in respect of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by any Chargor.
- (c) All monies received, recovered or realised by the Security Agent under or in connection with this Deed may at the discretion of the Security Agent be credited to a separate interest-bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate (if any) as the Security Agent may determine without the Security Agent having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Liabilities.

**13. DELEGATION**

The Security Agent and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

**14. FURTHER ASSURANCES**

Each Chargor shall, at its own expense, promptly take whatever action the Security Agent or a Receiver may require for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed; and
- (b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by the Security Agent or any Receiver or any of its or their delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Security Agent or to its nominees, the giving of any notice, order or direction and the making of any registration which, in any such case, the Security Agent may think expedient.

**15. POWER OF ATTORNEY**

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of this Security has occurred which that Chargor is obliged to take under this Deed, including under clause 14 (*Further assurances*). Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

**16. PAYMENTS**

**16.1 Payments**

Subject to clause 16.2 (*Gross-up*), all payments to be made by any Chargor in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as the Security Agent may designate; and
- (b) without (and free and clear of, and without any deduction for or on account of):
  - (i) any set-off or counterclaim; or
  - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

**16.2 Gross-up**

If any Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Agent or to any other Secured Party, the sum so payable by that Chargor shall be increased so as to result in the receipt by the Security Agent or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed.

**17. STAMP TAXES**

Each Chargor shall:

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith; and
- (b) indemnify the Security Agent, each other Secured Party and any Receiver or Delegate on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges.

**18. COSTS AND EXPENSES**

**18.1 Transaction and amendment expenses**

Each Chargor shall promptly on demand pay to the Security Agent and each Secured Party the amount of all costs, charges and expenses (including, without limitation, legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by the Security Agent in connection with:

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, this Security or any document referred to in this Deed; or any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

**19. ENFORCEMENT AND PRESERVATION COSTS**

Each Chargor shall promptly on demand pay to the Security Agent, each other Secured Party and any Receiver or Delegate the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by it in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or this Security (including all remuneration of the Receiver).

**20. DEFAULT INTEREST**

Any amount demanded under clause 18.1 (*Transaction and amendment expenses*) or 19 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred

or charged by the relevant person and otherwise in accordance with clause 8.4 (*Default Interest*) of the Facility Agreement save to the extent that interest at such rate on such amount for such period is charged pursuant to the Facility Agreement or any other Finance Document relevant to that liability.

**21. CURRENCIES**

All monies received or held by the Security Agent, or any Receiver or Delegate under this Deed may be converted from their existing currency into such other currency as the Security Agent (acting reasonably), or any Receiver or Delegate considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at a market rate of exchange in the Security Agent's usual course of business. Each Chargor shall indemnify the Security Agent, or any Receiver or Delegate against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Agent, nor any Receiver or Delegate shall have any liability to any Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

**22. INDEMNITY**

Each Chargor shall indemnify the Security Agent, each other Secured Party, any Receiver and any attorney, agent or other person appointed by the Security Agent under this Deed and the Security Agent's officers and employees (each an Indemnified Party) on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or holding of them by any person; or
- (c) any breach by any Chargor of any of its obligations under this Deed.

**23. CHANGES TO THE PARTIES**

**23.1 Chargors**

No Chargor may assign any of its rights or obligations under this Deed.

**23.2 Security Agent**

The Security Agent may assign or transfer all or any part of its rights under this Deed in accordance with the Facility Agreement. Each Chargor shall, immediately upon being requested to do so by the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

## **24. MISCELLANEOUS**

### **24.1 Appropriation and suspense account**

- (a) The Security Agent shall apply all payments received in respect of the Secured Liabilities in reduction of any part of the Secured Liabilities as it thinks fit. Any such appropriation shall override any appropriation by any Chargor.
- (b) All monies received, recovered or realised by the Security Agent or any Receiver or Delegate under, or in connection with, this Deed may at the discretion of the Security Agent be credited to a separate interest bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate, if any, as the Security Agent acting reasonably may obtain in the market for the account of the relevant Chargor) without the Security Agent having any obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Liabilities.

### **24.2 New accounts**

- (a) If the Security Agent or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than Security expressly permitted under the Facility Agreement) affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the relevant Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Agent will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Liabilities.

### **24.3 Tacking**

- (a) Each Finance Party shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

### **24.4 Amendments and waivers**

Any provision of this Deed may be amended only if the Security Agent and each Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Agent so agrees in writing. A waiver given or consent granted by the Security Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

### **24.5 Calculations and certificates**

Any certificate of determination by a Secured Party, the Security Agent or the Lender specifying the amount of any Secured Liability due from any Chargor (including details of any



relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against that Chargor of the matters to which it relates.

**24.6 Waiver, rights and remedies**

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

**25. THIRD PARTY CLAUSES**

**25.1 Waiver of defences**

The obligations of the Chargors under this Deed shall not be discharged, impaired or otherwise affected by an act, omission, matter or thing which, but for this clause 25.1, would reduce, release or prejudice any of its obligations, or the Security intended to be granted, under this Deed (without limitation and whether or not known to it or the Security Agent) including:

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

## **25.2 Chargor intent**

Without prejudice to the generality of clause 25.1 (*Waiver of defences*), each Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: property acquisitions of any nature; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new Obligors; any other variations or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

## **25.3 Immediate recourse**

Each Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before exercising any right under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

## **25.4 Application**

Until the Secured Liabilities have been irrevocably paid in full, the Security Agent may refrain from applying or enforcing any other monies, Security or rights held or received by the Security Agent (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same.

## **25.5 Deferral of Chargors' rights**

Until the end of the Security Period and unless the Security Agent otherwise directs, no Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by the Obligor or any other Chargor;
- (b) to claim any contribution from any guarantor of the Obligor's obligations under the Finance Documents or any other person giving Security for the Secured Liabilities under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by the Security Agent;
- (d) to bring legal or other proceedings for an order requiring the Obligor or any other Chargor to make any payment, or perform any obligation, in respect of which that Chargor has given Security under this Deed;

- (e) to exercise any right of set-off against the Obligor or any other Chargor; and/or
- (f) to claim or prove as a creditor of the Obligor or any other Chargor in competition with the Security Agent.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Security Agent by the Obligor or any Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with this Deed.

## **26. NOTICES**

### **26.1 Communications in writing**

Any communication to be made under, or in connection with, this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter (but not by email).

### **26.2 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 this Deed is:

- (a) in the case of each 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, fax number or department or officer as any Chargor may notify to the Security Agent (or the Security Agent may notify to the Chargor, if a change is made by the Security Agent) by not less than five Business Days' notice.

### **26.3 Delivery**

- (a) Subject to clause 26.3(b), any communication or document made or delivered by one Party to another under, or in connection with, this Deed will only be effective:
  - (i) if by way of fax, when received in legible form; or
  - (ii) 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 26.2 (*Addresses*), if addressed to that department or officer.

- (b) 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 the department or officer identified with the

signature of the Security Agent below (or any substitute department or officer as the Security Agent shall specify for this purpose).

**27. PARTIAL INVALIDITY**

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

**28. RELEASE**

**28.1 Release**

Upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of any Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

**28.2 Reinstatement**

Where any discharge (whether in respect of the obligations of the Obligor, any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, bankruptcy or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

**29. COUNTERPARTS**

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

**30. GOVERNING LAW**

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

**31. ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a Dispute).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

EXECUTION VERSION

- (c) This clause 31 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

**IN WITNESS** of which this Deed has been duly executed by each Chargor as a deed and duly executed by the Security Agent and has been delivered on the first date specified on page 1 of this Deed by each Chargor.

EXECUTION PAGES

## THE CHARGES

EXECUTED as a DEED for and on behalf of  
RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1)  
PROPCO GP LIMITED

EXECUTED as a DEED for and on behalf of  
RIVERSIDE CAPITAL (TRAVELODGE PORTFOLIO 1)  
PROPCO GP LIMITED

acting by a director in the presence of a witness:

(Signature)

Name of director:

ASHLEY JOHN WILCOX

Witness signature:

Witness name:

Witness address:

**Address:**

Seebeck House, 1 Seebeck Place, Knowlhill, Milton Keynes MK5 8FR

Facsimile No:

+44 (0) 20 7405 4222

**Attention:**

EXECUTION VERSION

EXECUTED as a DEED for and on behalf of  
RIVERSIDE CAPITAL (TVL PORTFOLIO 1) LP  
acting by its general partner RIVERSIDE CAPITAL  
(TRAVELODGE PORTFOLIO 1) HOLDCO GP LIMITED

acting by a director in the presence of a witness:

Name of director:

ASLEY JOHN WILCOX

Witness signature:

Witness name:

Witness address:

Address: Seebeck House, 1 Seebeck Place, Knowlhill,  
Milton Keynes MK5 8FR

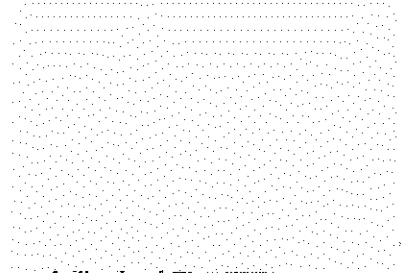
Facsimile No: +44 (0) 20 7405 4222

Attention:

EXECUTION VERSION

**THE SECURITY AGENT**

**SIGNED** )  
for and on behalf of )  
**THE ROYAL BANK OF SCOTLAND** )  
**INTERNATIONAL LIMITED** )  
by )



Authorised Signatory

**Address:** PO Box 62, Royal Bank Place,  
Glategny Esplanade, St Peter Port,  
Guernsey GY1 4BQ

**Facsimile No:** 01481 706658

**Attention:** TIM SLATER



