



Registration of a Charge

Company Name: **BGAM HOTELS (TM) LTD**

Company Number: **11258233**



XCFS1503

Received for filing in Electronic Format on the: **07/11/2023**

Details of Charge

Date of creation: **01/11/2023**

Charge code: **1125 8233 0004**

Persons entitled: **SOLUTUS ADVISORS LIMITED (AS SECURITY AGENT)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **TLT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11258233

Charge code: 1125 8233 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st November 2023 and created by BGAM HOTELS (TM) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th November 2023 .

Given at Companies House, Cardiff on 7th November 2023

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

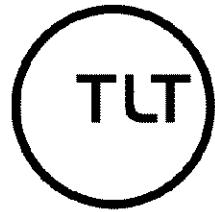


Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

TLT LLP



Share Charge

- (1) **BGAM HOTELS (TM) LTD (as Chargor)**
- (2) **SOLUTUS ADVISORS LIMITED (as Security Agent)**

Dated 1 November 2023

Execution version

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This deed is dated 1 November

2023

Between:

- (1) **BGAM HOTELS (TM) LIMITED** a company incorporated in England & Wales with company number 11258233, whose registered office is at Greenhill House, 90/93 Cowcross Street, London, England, EC1M 6BF (the **Chargor**); and
- (2) **SOLUTUS ADVISORS LIMITED** (as security trustee for the Secured Parties (as defined in the Facility Agreement, as defined below)) (in such capacity, the **Security Agent**).

It is agreed as follows:

1 Definitions and interpretation

1.1 Definitions:

In this Deed:

1.1.1 terms defined in, or construed for the purposes of, the Facility Agreement have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and

1.1.2 the following terms have the following meanings:

Act means the Law of Property Act 1925;

Charged Securities means:

- (a) the shares held by the Chargor in the Borrower owned by it as set out in Schedule 1; and
- (b) any additional shares issued by the Borrower owned by it to the Chargor at any time after the date of this Deed,

in each case together with all present and future Related Rights accruing to all or any of the Charged Securities;

Default Rate means the rate of interest determined in accordance with clause 8.3 (Default interest) of the Facility Agreement;

Facility Agreement means the facility agreement dated on or around the date of this Deed and made between (1) each of Stonehenge Hotels Limited, Tankersley Hotels Ltd and Leigh Hotels Ltd as Borrowers and Guarantors, (2) State Bank of India (UK) Limited as Original Lender, (3) State Bank of India (UK) Limited as Arranger, (4) Solutus Advisors Limited as Agent and (5) Solutus Advisors Limited as Security Agent, pursuant to which the Original Lender agreed to make certain facilities available to the Borrowers;

Party means a party to this Deed;

Receiver means a receiver or receiver and manager or administrative receiver appointed by the Security Agent of the whole or any part of the Security Assets;

Related Rights means, in relation to any Charged Security:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security 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 Charged Security 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;

Security Assets 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; and

Security Period means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents.

1.2 Interpretation

1.2.1 Unless a contrary indication appears, in this Deed the provisions of clause 1.2 (Construction) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed, except that references to **this Agreement** will be construed as references to this Deed.

1.2.2 Unless a contrary indication appears, any reference in this Deed to:

(a) the **Chargor**, 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;

- (b) **this Deed**, the **Facility Agreement**, any other **Finance Document** or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that 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 any Transaction Obligor or provides for further advances);
- (c) **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 Transaction Obligor;
- (d) **reasonable endeavours** includes payment by the relevant person of all its own and any third party's reasonable costs, fees and expenses;
- (e) **including or includes** means including or includes without limitation; and
- (f) **this Security** means the Security created or evidenced by or pursuant to this Deed.

1.2.3 Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:

- (a) must be complied with at all times during the Security Period; and
- (b) is given by the Chargor for the benefit of each Secured Party.

1.2.4 The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.2.5 If the Security Agent or the Agent reasonably considers that an amount paid by any Transaction Obligor to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Transaction Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.2.6 The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 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.

1.4 Third party rights

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

1.5 Delivery

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

2 Covenant to pay

2.1 The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Agent that it will pay and discharge the Secured Liabilities from time to time when they fall due.

2.2 Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1.

2.3 Default interest

Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis:

2.3.1 at the rate and in the manner agreed in the Finance Document under which such amount is payable; or

2.3.2 (in the absence of such agreement) at the Default Rate from time to time. In such a case default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Agent (acting on the instructions of the Agent) states are appropriate.

3 Grant of security

3.1 Nature of security

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

3.1.1 in favour of the Security Agent;

3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and

3.1.3 as continuing security for payment of the Secured Liabilities.

4 Fixed security

The Chargor charges by way of first fixed charge the Charged Securities together with all Related Rights from time to time accruing to those Charged Securities.

5 Limited recourse

Notwithstanding any other provisions of this Deed:

5.1 the liability of the Chargor to the Security Agent shall be:

5.1.1 limited in aggregate to an amount equal to that recovered by the Security Agent as a result of the enforcement of this Deed with respect to the Security Assets; and

5.1.2 satisfied only from the proceeds of sale or application or other disposal or realisation of the Security Assets pursuant to this Deed; and

5.1.3 the Security Agent shall not have any recourse under this Deed to any assets of the Chargor other than the Security Assets.

6 Continuing security

6.1 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.

6.2 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 any Secured Party may at any time hold for any Secured Obligation.

6.3 Right to enforce

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

7 Liability of Chargor relating to Security Assets

Notwithstanding anything contained in this Deed or implied to the contrary, the 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 any such condition or obligation.

8 Representations

8.1 General

The Chargor makes the representations and warranties set out in this clause 8 to each Secured Party.

8.2 Ownership of Security Assets

The Chargor is the legal owner of all of the Security Assets.

8.3 Time when representations made

8.3.1 All the representations and warranties in this clause 8 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor:

- (a) on the date of each Utilisation Request and each Utilisation Date; and
- (b) on the first day of each Interest Period.

8.3.2 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.

9 Undertakings by the Chargor

9.1 Negative pledge and disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Agent:

- 9.1.1 create or permit to subsist any Security on any Security Asset except as expressly permitted under the Facility Agreement; or
- 9.1.2 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 (except as expressly permitted under the Facility Agreement).

9.2 Charged Securities - protection of security

9.2.1 The Chargor shall, promptly upon execution of this Deed or (if later) as soon as is reasonably practicable after its acquisition of any Charged Securities, by way of security for the Secured Liabilities:

(a) deposit with the Security Agent (or as the Security Agent may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and

(b) execute and deliver to the Security Agent (or as the Security Agent may direct):

(i) instruments of transfer in respect of the Charged Securities (executed in blank and left undated); and/or

(ii) such other documents as the Security Agent shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).

9.2.2 The Chargor shall promptly pay all calls or other payments which become due in respect of its Charged Securities.

9.2.3 Without limiting its obligations under the Facility Agreement, the Chargor shall comply with all requests for information within its knowledge relating to the Charged Securities which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision contained in the articles of association or other constitutional documents of the relevant company relating to the Charges Securities and, if it fails to do so, the Security Agent may provide such information as it may have on behalf of the Chargor.

9.3 Rights of the Parties in respect of Charged Securities

9.3.1 Until an Event of Default occurs which is continuing, the Chargor shall be entitled to:

(a) Receive, retain and apply for its own use all dividends, distributions, interest and other monies paid on or payable in respect of or derived from its Charged Securities; and

(b) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:

(i) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by the Finance Documents; or

(ii) in the Security Agent's reasonable opinion is prejudicial to the interests of the Security Agent and/or the other Secured Parties.

9.3.2 At any time following the occurrence of an Event of Default which is continuing, the Security Agent may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.

9.3.3 At any time when any Charged Security is registered in the name of the Security Agent or its nominee, the Security Agent shall be under no duty to:

- (a) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee;
- (b) verify that the correct amounts are paid or received; or
- (c) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security.

9.4 Security Assets generally

The Chargor shall:

- 9.4.1 notify the Security Agent within 30 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to the Security Assets by any competent authority, and (if required by the Security Agent):
 - (a) promptly provide it with a copy of the same; and
 - (b) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Security Agent may require or approve;
- 9.4.2 comply with:
 - (a) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation; and
 - (b) all covenants and obligations affecting any Security Asset (or its manner of use), where failure to do so has or is reasonably likely to have a Material Adverse Effect;
- 9.4.3 not, except with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Facility Agreement);
- 9.4.4 provide the Security Agent with all information which it may reasonably request in relation to the Security Assets; and
- 9.4.5 not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

10 Power to remedy

10.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under the Finance Documents, 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. The Chargor irrevocably authorises the Security Agent and its employees and agents by way of security to do all such things (including with reasonable prior notice, entering the property of the Chargor) which are necessary or desirable to rectify that default.

10.2 Mortgagee in possession

The exercise of the powers of the Security Agent under this clause 10 shall not render it, or any other Secured Party, liable as a mortgagee in possession.

10.3 Monies expended

The Chargor shall pay to, or as directed by, the Security Agent on demand any monies which are expended by the Security Agent in exercising its powers under this clause 10, 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 2.3 (Default interest).

11 When security becomes enforceable

11.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default (in accordance with the provisions of the Facilities Agreement and unless remedied or waived to the satisfaction of the Security Agent) and shall remain so for so long as such Event of Default is continuing.

11.2 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 and for so long as such Event of Default is continuing.

11.3 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.

12 Enforcement of security

12.1 General

For the purposes of all rights and 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.

12.2 Powers of Security Agent

12.2.1 At any time after this Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Security Agent may without further notice (unless required by law):

- (a) 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.

12.2.2 The Security Agent is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

12.3 Redemption of prior mortgages

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

- 12.3.1 redeem any prior Security against any Security Asset; and/or

- 12.3.2 procure the transfer of that Security to itself; and/or
- 12.3.3 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 the Chargor.

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

12.4 Privileges

- 12.4.1 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.
- 12.4.2 To the extent that the Security Assets constitute **financial collateral** and this Deed and the obligations of the 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.
- 12.4.3 For the purpose of clause 12.4.2, the value of the financial collateral appropriated shall be such amount as the Receiver or 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.

12.5 No liability

- 12.5.1 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).
- 12.5.2 Without prejudice to the generality of clause 12.5.1, 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.

12.6 Protection of third parties

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

- 12.6.1 whether the Secured Liabilities have become payable;
- 12.6.2 whether any power which the Security Agent or the Receiver is purporting to exercise has become exercisable;
- 12.6.3 whether any money remains due under any Finance Document; or
- 12.6.4 how any money paid to the Security Agent or to the Receiver is to be applied.

13 Receiver

13.1 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.

13.2 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).

13.3 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).

13.4 Payment by Receiver

Only monies actually paid by a Receiver to, or as directed by, 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.

13.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. The 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. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

14 Powers of receiver

14.1 General powers

Any Receiver shall have:

- 14.1.1 all the powers which are conferred on the Security Agent by clause 12.2 (Powers of Security Agent);
- 14.1.2 all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- 14.1.3 (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- 14.1.4 all powers which are conferred by any other law conferring power on receivers.

14.2 Additional powers

In addition to the powers referred to in clause 14.1 (General powers), a Receiver shall have the following powers:

- 14.2.1 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;
- 14.2.2 to manage the Security Assets and the business of the Chargor as he thinks fit;
- 14.2.3 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;

- 14.2.4 to sell or concur in selling, leasing 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;
- (a) 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
- (b) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- 14.2.5 to carry out any sale, lease 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 Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- 14.2.6 to take any such proceedings (in the name of the Chargor 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);
- 14.2.7 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 14.2.8 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Agent shall direct); and
- 14.2.9 to:
 - (a) 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;
 - (b) 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
 - (c) use the name of the Chargor for any of the above purposes.

15 Application of proceeds

15.1 Application

All monies received by the Security Agent or any Receiver 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 the following order:

- 15.1.1 first, in satisfaction of, or provision for, any sums owing to the Security Agent, any Receiver or any Delegate;
- 15.1.2 secondly, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Agent or any other Secured Party in connection with any realisation or enforcement of this Security taken in accordance with the terms of any Finance Document;
- 15.1.3 thirdly, in or towards satisfaction of the remaining Secured Liabilities in accordance with clause 15.3 (Appropriation and suspense account); and
- 15.1.4 fourthly, in payment of any surplus to the Chargor or other person entitled to it.

15.2 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 (bearing interest at such rate (if any) as the Security Agent may determine).

15.3 Appropriation and suspense account

15.3.1 Subject to clause 15.1 (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.

15.3.2 Any such appropriation shall override any appropriation by the Chargor.

15.3.3 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 unless such monies would clear all Secured Liabilities in full.

16 Set-off

16.1 Set-off rights

16.1.1 Each Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid under the Finance Documents against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

16.1.2 At any time after this Security has become enforceable (and in addition to its rights under clause 16.1.1), each Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

16.1.3 If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

16.1.4 If either obligation is unliquidated or unascertained, the Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

17 Delegation

Each of 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 them 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 the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate (unless such loss or liability is caused by its gross negligence or wilful misconduct).

18 Further assurances

18.1 Further action

The Chargor shall at its own expense, immediately do all acts and execute all documents as the Security Agent or a Receiver may reasonably specify (and in such form as the Security Agent or a Receiver may reasonably require) for:

- 18.1.1 creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document;
- 18.1.2 facilitating the realisation of any Security Asset;
- 18.1.3 facilitating the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law; or
- 18.1.4 creating and perfecting Security in favour of the Security Agent or the other Secured Parties over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Security Document.

This includes:

- (a) the re-execution of this Deed or such Security Document;
- (b) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Agent or to its nominee; and
- (c) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may think expedient.

18.2 Finance Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to the Finance Documents.

18.3 Specific security

Without prejudice to the generality of clause 18.1 (Further action), the Chargor will immediately upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed.

19 Power of attorney

The 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 the Chargor is obliged to take under this Deed, including under clause 18 (Further assurances) or, if no Event of Default is continuing, which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

20 Currency conversion

All monies received or held by the Security Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Agent or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in

the Secured Liabilities in that other currency at the Agent's spot rate of exchange. The Chargor shall indemnify the Security Agent against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Agent nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

21 Changes to the Parties

21.1 Chargor

The Chargor may not assign any of its rights or obligations under this Deed.

21.2 Security Agent

The Security Agent may assign or transfer all or any part of its rights under this Deed pursuant to the resignation or removal of the Security Agent in accordance with the Facility Agreement. The 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.

22 Miscellaneous

22.1 New accounts

22.1.1 If any Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Security) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the 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.

22.1.2 As from that time all payments made to such Secured Party 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.

22.2 Tacking

22.2.1 Each Finance Party shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).

22.2.2 This Deed secures advances already made and further advances to be made.

22.3 Protective clauses

22.3.1 The Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of the Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by any Secured Party which would otherwise have reduced, released or prejudiced this Security or any surety liability of the Chargor (whether or not known to it or to any Secured Party).

23 Notices

23.1 Delivery

Any notice or other communication given to a party under or in connection with this Deed shall be:

- 23.1.1 in writing;
 - 23.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service; and
 - 23.1.3 sent to:
 - (a) the Chargor at:

Greenhill House, 90/93 Cowcross Street, London, England, EC1M 6BF

Attention: the Directors
 - (b) the Security Agent at:

Canal Mill, Botany Bay, Chorley, Lancashire, PR6 9AF

Attention: Head of Servicing (UK)
- or to any other address as is notified in writing by one party to the other from time to time.

23.2 Receipt by Chargor

Any notice or other communication that the Security Agent gives to the Chargor shall be deemed to have been received:

- 23.2.1 if delivered by hand, at the time it is left at the relevant address; and
- 23.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 23.2.1 on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

23.3 Receipt by Security Agent

Any notice or other communication given to the Security Agent shall be deemed to have been received only on actual receipt.

23.4 Service of proceedings

This clause 23 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

24 Calculations and certificates

Any certificate of or determination by a Secured Party, the Security Agent or the Agent specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

25 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.

26 Remedies and waivers

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.

27 Amendments and waivers

Any provision of this Deed may be amended only if the Security Agent and the 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.

28 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.

29 Release**29.1 Release**

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

29.2 Reinstatement

Where any discharge (whether in respect of the obligations of the 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 or otherwise (without limitation), the liability of the Chargor 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.

30 Security Agent provisions

30.1 The Security Agent executes this Deed as security agent in the exercise of the powers and authority conferred and vested in it under the Facility Agreement and any other Finance Document for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Deed in the manner provided for in the Facility Agreement and, in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Agreement and the other Finance Documents.

30.2 The Security Agent shall not owe any fiduciary duties to any party to this Deed unless otherwise stated in the Finance Documents.

30.3 Notwithstanding any other provisions of this Deed, in acting under and in accordance with this Deed, the Security Agent is entitled to seek instructions from the Lenders in accordance with the provisions of the Facility Agreement and at any time, and where it so acts or refrains from acting on the instructions of the Lenders, the Security Agent shall not incur any liability to any person for so acting or refraining from acting.

31 Governing law

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

32 Enforcement

32.1 Jurisdiction

32.1.1 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**).

32.1.2 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.

32.1.3 This clause 32.1 is for the benefit of the Security Agent only. As a result, the Security Agent shall 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 the 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.

Schedule 1

The Chargor

Name	Address	Shares
BGAM Hotels (TM) Ltd	Greenhill House, 90/93 Cowcross Street, London, United Kingdom, EC1M 6BF	1 Ordinary Share of £1.00 in Tankersley Hotels Ltd

SIGNATURES

The Chargor

EXECUTED as a **DEED**, but not delivered until the first date specified on page 1 by **BGAM HOTELS (TM) LTD** acting by one director:

Director

in the presence of a witness

Witness signature

Please tick to confirm you were physically present when witnessing the above signature.

X

Matthew Paul Lindsay

Witness print name

Witness address

Witness occupation

The Security Agent

EXECUTED as a **DEED**, but not delivered until the first date specified on page 1 by **SOLUTUS ADVISORS LIMITED** acting by one authorised signatory:



Authorised Signatory

in the presence of a witness

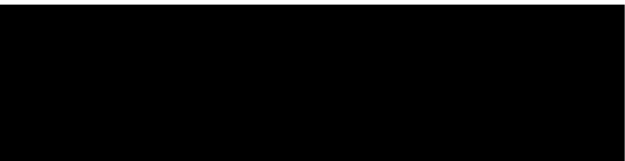


Witness signature


Neil Forkin

Witness print name

Please tick to confirm you were physically present when witnessing the above signature.



x

Witness address


Witness occupation