



Registration of a Charge

Company name: **DAISH'S MANHATTAN HOTEL LTD**

Company number: **11424662**

Received for Electronic Filing: **16/03/2020**



X90XSWX4

Details of Charge

Date of creation: **03/03/2020**

Charge code: **1142 4662 0004**

Persons entitled: **BARCLAYS BANK PLC**

Brief description: **LEASEHOLD OF THE PROPERTY KNOWN AS THE NORTH SHORE HOTEL, 224 – 232, 234 AND 236 PROMENADE, BLACKPOOL FY1 1RZ AS MORE ACCURATELY DEFINED IN A 20 YEAR LEASE DATED ON OR AROUND 3 MARCH 2020 MADE BETWEEN (1) SAMATT LIMITED AND (2) DAISH'S MANHATTAN HOTEL LTD (THE NORTH SHORE OPERATING LEASE) BEING A LEASE OF THE WHOLE OF THE FREEHOLD LAND REGISTERED WITH TITLE NUMBERS LA420981, LA421463, LA839519, LA571178 AND LAN19598, AND TO BE ALLOCATED A NEW TITLE NUMBER BY THE LAND REGISTRY UPON REGISTRATION OF THE NORTH SHORE OPERATING LEASE.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11424662

Charge code: 1142 4662 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd March 2020 and created by DAISH'S MANHATTAN HOTEL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th March 2020 .

Given at Companies House, Cardiff on 17th March 2020

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

DATED 3 MARCH 2020

EXECUTION VERSION

(1) THE CHARGORS

(2) BARCLAYS BANK PLC
(as Lender)

DEBENTURE



Pinsent Masons

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THIS DEED is made on 3 MARCH 2020

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "Chargor" and together the "Chargors"); and
- (2) **BARCLAYS BANK PLC** (the "Lender").

INTRODUCTION

- (A) The Lender has agreed to make credit facilities available to the Company on the terms and conditions set out in the Facility Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over its assets to the Lender.

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Account" means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts

"Assigned Account" means:-

- (a) each of the Accounts specified in Schedule 5 (*Details of Assigned Accounts*) (and any renewal or redesignation of such Accounts);
- (b) any Blocked Accounts which are maintained with any bank or financial institution other than the Lender; and
- (c) any other Account agreed by the Lender and the Company in writing to be an Assigned Account

"Assigned Insurances" means the Insurances (if any) specified in Schedule 4 (*Assigned Insurances*) (including any renewal, substitution or replacement of such Insurance)

"Blocked Account" means:-

- (a) any Holding Account (and any renewal or

	redesignation of such account); and
	(b) any other Account agreed by the Lender and the Company in writing to be a Blocked Account
"Charged Account"	means:- (a) the Accounts maintained by any Chargor with the Lender and designated in writing as a Charged Account by the Lender; and (b) any Blocked Accounts maintained with the Lender
"Deed of Accession"	means a deed substantially in the form of Schedule 6 (<i>Deed of Accession</i>) executed, or to be executed, by a person becoming a Chargor
"Default"	has the meaning given to that term in the Facility Agreement
"Default Rate"	means the rate specified in clause 10.3 (<i>Default interest</i>) of the Facility Agreement
"Event of Default"	has the meaning given to that term in the Facility Agreement
"Facility Agreement"	means the facility agreement dated on or about the date of this Deed between, among others, the Company and the Lender
"Holding Account"	has the meaning given to that term in the Facility Agreement
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties
"Intellectual Property"	means any of the following:- (a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any brand and trade names, domain names, invention, copyright, design right or performance right; (c) any trade secrets, database right, know-how

and confidential information; and

- (d) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest

"Land"

has the meaning given to that term in section 205(1) of the LPA but for these purposes "Land" excludes heritable property situated in Scotland

"LPA"

means the Law of Property Act 1925

"Monetary Claims"

means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

"Party"

means a party to this Deed

"Plant and Equipment"

means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same

"Receiver"

means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets

"Regulations"

means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements

"Related Rights"

means in relation to any Secured Asset:-

- (a) the proceeds of sale of all or any part of that Secured Asset;
- (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;

	(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset; (d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and (e) any moneys and proceeds or income paid or payable in respect of that Secured Asset
"Secured Assets"	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Lender by or pursuant to this Deed
"Secured Finance Documents"	means the Finance Documents
"Secured Liability"	means all present and future obligations and liabilities expressed to be due, owing or payable by any Chargor to the Lender (whether present or future, actual or contingent and whether incurred solely or jointly (or jointly and severally) with any other person) (together the "Secured Liabilities")
"Securities"	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Shares"	means:- (a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and (b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time
"Transaction Security"	means the Security created or expressed to be created in favour of the Lender pursuant to the Transaction Security Documents
"Transaction Security Documents"	means has the same meaning as given to the term "Transaction Security Documents" in the Facility Agreement

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facility Agreement shall have the same meanings in this Deed.

1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.2 to 1.4 of the Facility Agreement shall apply to this Deed insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a "**Secured Finance Document**" or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

1.4 Acknowledgement

Each Chargor acknowledges that the Lender enters into this Deed for itself and as trustee for the Lender who shall be entitled to the full benefit of this Deed.

1.5 Effect as a deed

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

1.6 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.7 Third party rights

1.7.1 The Lender, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

2.2 Interest

Each Chargor covenants to pay interest at the Default Rate to the Lender on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment), provided that there shall be no double recovery of interest under the Facility Agreement and this instrument.

3. CHARGES

3.1 Land

Each Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of first fixed charge:-

(a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;

(b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and

(c) all Land acquired by any after the date of this Deed.

3.2 Shares

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

3.3 Securities

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

3.4 Intellectual Property

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.5 Monetary Claims

Each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

3.6 Charged Accounts

Each Chargor charges by way of first fixed charge:-

- 3.6.1 all amounts standing to the credit of the Charged Accounts; and
- 3.6.2 all Related Rights under or in connection with the Charged Accounts.

3.7 Plant and Equipment

Each Chargor charges by way of first fixed charge:-

- 3.7.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and
- 3.7.2 all Related Rights under or in connection with the Plant and Equipment.

3.8 Goodwill

Each Chargor charges by way of first fixed charge its present and future goodwill.

3.9 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital.

3.10 Authorisations

Each Chargor charges by way of first fixed charge the benefit of all licences, consents, and agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

3.11 Assigned Insurances

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

- 3.11.1 the Assigned Insurances to which it is a party; and
- 3.11.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

3.12 Assigned Accounts

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

- 3.12.1 the Assigned Accounts in its name; and
- 3.12.2 all Related Rights under or in connection with the Assigned Accounts in its name.

3.13 Floating Charge

- 3.13.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.14 Trust

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

3.14.1 hold it on trust for the Lender as security for the payment and discharge of the Secured Liabilities; and

3.14.2 take such steps as the Lender may require to remove the impediment to assignment or charging it.

3.15 Nature of Security created

The Security created under this Deed is created as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities with full title guarantee.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

4.1.1 The Lender may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.13 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 13.1 (*Enforcement*); or
- (b) the Lender considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
- (c) the Lender considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.13 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.13 (*Floating charge*).

4.2 Crystallisation: Automatic

The floating charge created by a Chargor under Clause 3.13 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facility Agreement) over any of the Secured Assets; or

4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or

- 4.2.3 if the Lender receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

4.3 Assets acquired post-crystallisation

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.13 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by a Chargor at the date of crystallisation.

4.4 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.13 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:-

- 4.4.1 the obtaining of a moratorium; or
 - 4.4.2 anything done with a view to obtaining a moratorium,
- under Schedule A1 to the Insolvency Act 1986.

4.5 Partial crystallisation

The giving of a notice by the Lender pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or of any other right of the Lender.

4.6 De-crystallisation of floating charge

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Lender to the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

5. PERFECTION OF SECURITY

5.1 Notices of assignment

5.1.1 The Chargors must deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

- (a) Assigned Insurances:-
 - (i) on the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;

- (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, on or within 5 Business Days of the date of the renewal, substitution or replacement, a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant Insurer;

(b) Assigned Accounts:-

- (i) in respect of each Assigned Account (other than a Blocked Account) by issuing, on the date on which the assignment is granted, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts (not Blocked Accounts)*) addressed to the bank or financial institution with whom the Assigned Account is held;
- (ii) in respect of each Blocked Account which is an Assigned Account by issuing, on the date on which the assignment is granted, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Blocked Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held; and
- (iii) in respect of any Account subsequently designated in writing by the Lender and the Company as an Assigned Account, by issuing, within 5 Business Days of the date of the designation, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts (not Blocked Accounts)*) or, if the Account is a Blocked Account, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Blocked Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held.

5.1.2 The Chargors shall use all reasonable endeavours to procure that, within 14 days of the date of the each notice of assignment delivered pursuant to Clause 5.1.1 above, each notice of assignment is acknowledged by the party to whom it is addressed.

5.1.3 Each Chargor will deliver to the Lender:-

- (a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and
- (b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

5.2 Documents of Title

5.2.1 Land

The Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Lender of either:-

- (a) all deeds, certificates and other documents relating to such Land (which the Lender shall be entitled to hold and retain at the expense and risk of the Chargors); or

- (b) an undertaking from the Company's solicitors (in form and substance acceptable to the Lender) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Lender.

5.2.2 Shares

The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to the Lender of:-

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Lender so requires, pre-stamped; and
- (c) any other documents which the Lender may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which the Lender is entitled to hold at the expense and risk of the Chargors.

5.2.3 Securities

As soon as any Securities are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Lender or a nominee (and in any event as soon as the Lender so requests), such Chargor shall deposit with the Lender, in respect of or in connection with those Securities:-

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Lender so requires, pre-stamped; and
- (c) any other documents which the Lender may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Lender is entitled to hold at the expense and risk of the Chargors.

5.3 Application to the Land Registry

Each Chargor and the Lender apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a

written consent signed by the proprietor for the time being of the charge dated [insert date] in favour of Barclays Bank PLC referred to in the charges register (Form P)"

5.3.2 a notice that:-

"Barclays Bank PLC is under an obligation to make further advances."

6. COVENANTS

6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Lender requires to:-

- 6.1.1 give effect to the requirements of this Deed;
- 6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Lender or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Lender or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

6.2 Negative pledge

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 25.12 (*Negative pledge*) of the Facility Agreement except as expressly permitted under the terms of the Facility Agreement.

6.3 Disposals

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except as permitted by clause 25.13 (*Disposals*) of the Facility Agreement.

6.4 Land

Each Chargor shall promptly notify the Lender in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Lender (at the cost of that Chargor) execute a legal mortgage in favour of the Lender of that property in any form which the Lender may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

7. SHARES AND SECURITIES

7.1 Shares: before an Event of Default

Prior to the occurrence of an Event of Default, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 7.1.3 promptly upon receipt, forward to the Lender copies of all notices and other communications received in connection with the Shares;
- 7.1.4 promptly comply with (and copy to the Lender) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of the Lender.

7.2 **Shares: after an Event of Default**

After the occurrence of an Event of Default, the Lender may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
 - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
 - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

In each case in such manner and on such terms as the Lender may think fit, and the proceeds of any such action shall form part of the Secured Assets.

7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Lender may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Lender shall be reimbursed by the Chargor to the Lender

on demand and shall carry interest from the date of payment by the Lender until reimbursed at the rate notified to the Chargor by the Lender.

7.4 Securities: exercise of rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Lender, would prejudice the effectiveness of, or the ability of the Lender to realise, the Security created by or pursuant to this Deed.

8. INTELLECTUAL PROPERTY

Each Chargor shall, if requested by the Lender and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Lender may require and do all acts that the Lender may require to perfect the Security taken by, or to record the interest of, the Lender in any registers relating to any registered Intellectual Property.

9. MONETARY CLAIMS

9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Assigned Account or a Charged Account.

9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Lender or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

9.3 If and to the extent that the Lender so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Lender may require into such Account(s) as the Lender may from time to time specify and pending such payment shall hold all such receipts on trust for the Lender.

10. ACCOUNTS

10.1 General

10.1.1 Each Chargor shall:-

- (a) deliver to the Lender:-
 - (i) on the date of this Deed (or the date of any Deed of Accession, if applicable), details of each of its Accounts; and
 - (ii) if any change in such detail (including any renewal or redesignation of any such Account) occurs after the date of this Deed or any new Account is opened as permitted under the terms of the Facility Agreement, details of such change or new Account on the date of such change or opening;
- (b) not, without the prior written consent of the Lender, permit or agree to any variation of the rights attaching to, or close, any Account; and

- (c) open such new Accounts as the Lender may require (whether before or after the Security created by this Deed has become enforceable).

10.1.2 Without prejudice to and in addition to Clauses 6.2 (*Negative pledge*) and 6.3 (*Disposals*):-

- (a) the benefit of each Charged Account and each Assigned Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Charged Account or Assigned Account without the prior written consent of the Lender.

10.1.3 Upon the Security created by this Deed becoming enforceable, the Lender shall be deemed to have designated in writing all Accounts other than the Charged Accounts and the Assigned Accounts as Assigned Accounts (or, in the case of any Accounts maintained with the Lender (in any capacity), as Charged Accounts) and at any time thereafter the Lender may:

- (a) in relation to such new Assigned Accounts, require the Chargors to, and the Chargors shall immediately on request, serve a notice of assignment in accordance with Clause 5.1 (*Notices of assignment*) on each bank or other financial institution with which any such Account is maintained (and the relevant Chargor shall comply with its obligation under Clause 5.1.3 to obtain an acknowledgement of each such notice of assignment); and
- (b) exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

10.2 **Charged Accounts**

10.2.1 **Charged Accounts: before an Event of Default**

- (a) The Chargors shall, prior to the occurrence of an Event of Default be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account (other than any Blocked Account).
- (b) Save as permitted pursuant to the terms of the Secured Finance Documents, the Chargors shall not make any withdrawal from any Blocked Account without the prior written consent of the Lender.
- (c) The Chargors hereby authorise the Lender (in its capacity as the bank with whom each Charged Account is maintained) to endorse any statement in relation to any Charged Account with a statement to the effect that:-
 - (i) the benefit of such Charged Account is not capable of assignment or charge without the prior written consent of the Lender;
 - (ii) the relevant Chargor has agreed not to assign, charge or otherwise deal with any moneys standing to the credit of

such Charged Account without the prior written consent of the Lender; and

- (iii) the benefit of such Charged Account is subject to a first fixed charge in favour of the Lender.

10.2.2 Charged Accounts: after an Event of Default

- (a) The Lender shall, upon the occurrence of an Event of Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Charged Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).
- (b) After the occurrence of an Event of Default, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account except with the prior consent of the Lender.

10.3 Assigned Accounts

10.3.1 Assigned Accounts: before an Event of Default

- (a) Subject to Clause 10.3.1(b) below, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Lender or as expressly permitted pursuant to the terms of the Secured Finance Documents.
- (b) If and to the extent necessary to enable, and for the sole purpose of enabling:-
 - (i) the Chargors to comply with their obligations to make repayments of the Secured Liabilities arising under the Secured Finance Documents; or
 - (ii) the Lender to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Secured Finance Documents,

the Lender shall provide consent or execute any documentation required to allow for the release from the Security created by this Deed the whole or any part of the sums standing to the credit of any Blocked Account.

10.3.2 Assigned Accounts: after an Event of Default

The Lender shall, upon the occurrence of an Event of Default be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:-

- (a) demand and receive all and any moneys due under or arising out of each Assigned Account;
- (b) exercise all such rights as the Chargors were then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Deed, exercise; and

- (c) apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).

11. ASSIGNED INSURANCES

11.1 Each Chargor shall:-

- 11.1.1 deliver to the Lender, promptly following execution of the same, such documents relating to the Assigned Insurances as the Lender may reasonably require;
- 11.1.2 perform all its obligations under the Assigned Insurances in a diligent and timely manner; and
- 11.1.3 notify the Lender of any breach of or default under an Assigned Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Insurance, promptly upon becoming aware of the same.

11.2 The Chargors shall not, without the prior written consent of the Lender:-

- 11.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Insurance;
- 11.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Insurance; or
- 11.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Insurance,

except as permitted by the terms of the Facility Agreement.

11.3 While no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Facility Agreement.

12. PROTECTION OF SECURED ASSETS

12.1 Insurance

- 12.1.1 The Chargors shall at all times during the subsistence of this Deed keep the Secured Assets insured in accordance with the terms of the Facility Agreement.
- 12.1.2 If any Chargor defaults in complying with Clause 12.1.1, the Lender may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys expended by the Lender in doing so shall be reimbursed by the Chargors to the Lender on demand and shall carry interest from the date of payment by the Lender until reimbursed at the rate specified in Clause 2 (*Covenant to Pay*).

12.2 Application of Insurance Proceeds

- 12.2.1 All moneys received under any Insurance relating to the Secured Assets shall, prior to the occurrence of an Event of Default, be applied in accordance with the terms of the Facility Agreement.
- 12.2.2 After the occurrence of an Event of Default the Chargors shall hold such moneys upon trust for the Lender pending payment to the Lender for application in accordance with Clause 15 (*Application of Moneys*) and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Secured Assets.

12.3 Power to remedy

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Lender reasonably considers that a Chargor has failed to comply with any such obligations, the Lender may, if it thinks fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Lender or its agents or contractors such access as the Lender may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

13. DEMAND AND ENFORCEMENT

13.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 13.1.1 the occurrence of an Event of Default which is continuing;
- 13.1.2 any request being made by a Chargor to the Lender for the appointment of a Receiver or an administrator, or for the Lender to exercise any other power or right available to it; or
- 13.1.3 the occurrence of any event arising under Clause 4.2.5 causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

13.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Lender may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 13.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 13.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the

title in and to it to the Lender insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Lender shall determine in a commercially reasonable manner;

13.2.4 subject to Clause 14.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

13.2.5 appoint an administrator of any Chorgor.

13.3 Disposal of the Secured Assets

In exercising the powers referred to in Clause 13.2 (*Powers on enforcement*), the Lender or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

13.4 Same rights as Receiver

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by the Lender, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Lender shall have taken possession or appointed a Receiver of the Secured Assets.

13.5 Delegation

The Lender may delegate in any manner to any person any rights exercisable by the Lender under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Lender thinks fit.

14. RECEIVERS

14.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Lender under this Deed shall be in writing under the hand of any officer or manager of the Lender (subject to any requirement for a court order in the case of the removal of an administrative receiver).

14.2 Removal

The Lender may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

14.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

14.3.1 of the Lender under this Deed;

14.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

- 14.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 14.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and
- 14.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

14.4 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Lender.

14.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

14.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Lender and the maximum rate specified in section 109(6) of the LPA shall not apply.

15. APPLICATION OF MONEYS

15.1 Application of moneys

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Lender or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 15.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Lender, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 15.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Lender or any Receiver;
- 15.1.3 **thirdly**, in or towards payment of the Secured Liabilities in such order as the Lender may at its discretion require; and
- 15.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

16. POWER OF ATTORNEY

16.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

- 16.1.1 the Lender (whether or not a Receiver has been appointed);
- 16.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Lender; and
- 16.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Lender in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling the Lender or the Receiver to exercise any of its rights or powers under this Deed.

16.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 16.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 16.1 (*Appointment*).

17. CONSOLIDATION

17.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Lender may at any time after this Deed has become enforceable, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Lender, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

17.2 Application

The Lender's rights under Clause 17.1 (*Combination of accounts*) apply:-

- 17.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 17.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 17.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Lender may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 17.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

18. PROTECTION OF THIRD PARTIES

18.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Lender, as varied and extended by this Deed, and all other powers of the Lender, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

18.2 Purchasers

No purchaser from or other person dealing with the Lender, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

18.2.1 to enquire whether any of the powers which the Lender or a Receiver have exercised has arisen or become exercisable;

18.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

18.2.3 as to the propriety or validity of the exercise of those powers; or

18.2.4 with the application of any moneys paid to the Lender, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

18.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Lender, any Receiver or any person to whom any of them have delegated any of their powers.

19. PROTECTION OF THE LENDER AND ANY RECEIVER

19.1 No liability

None of the Lender, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

19.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render the Lender, any Receiver or any of their respective officers or employees liable:-

19.2.1 to account as mortgagee in possession;

19.2.2 for any loss on realisation; or

19.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Lender or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

19.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Lender, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

- 19.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;
- 19.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;
- 19.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 19.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 19.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Lender,

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

19.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 19 (*Protection of the Lender and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

19.5 Indemnity out of the Secured Assets

The Lender, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 19.3 (*Indemnity*).

19.6 Liability of Chargors related to Secured 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 Secured Assets. The Lender or any Receiver are not under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

19.7 Continuing protection

The provisions of this Clause 19 (*Protection of the Lender and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

20. PROVISIONS RELATING TO THE LENDER

20.1 Powers and discretions

The rights, powers and discretions given to the Lender in this Deed:-

- 20.1.1 may be exercised as often as, and in such manner as, the Lender thinks fit;
- 20.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 20.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

20.2 Certificates

A certificate by an officer of the Lender:-

- 20.2.1 as to any amount for the time being due to the Lender; or
- 20.2.2 as to any sums payable to the Lender under this Deed,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

20.3 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

21. PRESERVATION OF SECURITY

21.1 Continuing Security

This Deed shall be a continuing security to the Lender and shall remain in force until expressly discharged in writing by the Lender notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

21.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Lender may have now or at any time in the future for or in respect of any of the Secured Liabilities.

21.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargors under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Lender) including:-

- 21.3.1 any time, waiver or consent granted to, or composition with, any person;
- 21.3.2 the release of any person under the terms of any composition or arrangement with any person;
- 21.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any 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;

- 21.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 21.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 21.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 21.3.7 an insolvency, liquidation, administration or similar procedure.

21.4 Immediate recourse

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

21.5 Appropriations

Until full and final satisfaction of the Secured Liabilities, the Lender may:-

- 21.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 15.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 21.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

21.6 New accounts

If the Lender receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Secured Assets or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Lender may close the current account or accounts and/or open a new account or accounts for such Chargor. If the Lender does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Lender shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

21.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Lender confirms that the Lender shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

21.8 Deferral of Chargor's rights

Until full and final satisfaction of the Secured Liabilities and unless the Lender otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 21.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 21.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;
- 21.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by the Lender;
- 21.8.4 to exercise any right of set-off against any Obligor; and/or
- 21.8.5 to claim or prove as a creditor of any Obligor in competition with the Lender.

22. RELEASE

22.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Lender shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 22.1.1 release the Secured Assets from this Deed; and
- 22.1.2 re-assign the Secured Assets that have been assigned to the Lender under this Deed.

22.2 Reinstatement

If the Lender considers that any amount paid or credited to it under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

- 22.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and
- 22.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

22.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

23. MISCELLANEOUS PROVISIONS

23.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

23.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

23.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

23.2 Information

The Lender may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as the Lender may think fit and each Chargor agrees to request any such person to provide any such information to the Lender and agrees to provide such further authority in this regard as the Lender or any such third party may from time to time require.

23.3 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

23.4 Counterparts

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

23.5 Deeds of Accession

23.5.1 The Company and each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

23.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to the Lender (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

23.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it

as at the date of delivery as if made by reference to the facts and circumstances then existing.

24. GOVERNING LAW

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

25. ENFORCEMENT

25.1 Jurisdiction of English Courts

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

25.1.3 This Clause 25.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1
THE CHARGORS

Company name	No
Daish's Group Limited	08010239
Samatt Limited	01750500
Daish's Hotel Limited	01552456
The Devonshire Hotel Limited	02772103
Bournemouth Sands Hotel Limited	05051024
Barrowfield Hotel Limited	06009940
Claremont Hotel Eastbourne Limited	06825855
Daish's Regent Hotel Ltd	08793588
Daish's Russell Hotel Ltd	09989450
Daish's Somerset Hotel Limited	08595214
Daish's County Hotel Ltd	11425096
Daish's Manhattan Hotel Ltd	11424662
Daish's Holidays Limited	02989521
Daish's Coaches Limited	03611867
Samatt (Group Services) Limited	05051027
Daish's Esplanade Hotel Ltd	12404830

Schedule 2
DETAILS OF LAND
REGISTERED LAND

Property Description	Land Registry Description of Land	Chargor	Tenure	Title number
Devonshire Hotel, Park Hill Road, Torquay	Land and buildings known as The Devonshire Hotel, Park Hill Road, Torquay TQ1 2DY	Samatt Limited	Freehold	DN401813
		The Devonshire Hotel Limited	Leasehold	DN563354
Daish's Hotel, 81 High Street, Shanklin, Isle of Wight	Land forming part of Daish's Hotel, Pomona Road, Shanklin	Samatt Limited	Freehold	IW29991
	Land known as Daish's Hotel, 81 High Street Shanklin PO37 6NP and land at High Street, Shanklin	Samatt Limited	Leasehold	IW29992
	81 High Street Shanklin PO37 6NP	Daish's Hotel Limited	Leasehold	IW66857
Bournemouth Sands, 2 West Cliff Gardens, Bournemouth	Land and buildings known as Bournemouth Sands Hotel, West Cliff Gardens, Bournemouth, BH2 5HR	Samatt Limited	Freehold	DT165277
	Land known Bournemouth Sands Hotel, West Cliff Gardens, Bournemouth, BH2 5HR	Bournemouth Sands Hotel Limited	Leasehold	DT430497
Barrowfield Hotel, Hilgrove Road, Newquay	Land known as Barrowfield Hotel, 1-5 Hilgrove Road, Newquay TR7 2QY	Samatt Limited	Freehold	CL41811
	Land known as Barrowfield Hotel, 1-5 Hilgrove Road, Newquay TR7 2QY	Samatt Limited	Freehold	CL125848
	Land known as Barrowfield Hotel, Hilgrove Road, Newquay TR7 2QY	Barrowfield Hotel Limited	Leasehold	CL247437
North Shore Hotel, 224 North Promenade, Blackpool	234 Promenade, Blackpool FY1 1RZ	Samatt Limited (in relation to the freehold titles)	Freehold	LA420981
	224 to 232 Promenade, Blackpool FY1 1RZ		Freehold	LA421463
	224 - 232 Promenade, Blackpool, FY1 1RZ		Freehold	LA839519
	224 - 232 Promenade, Blackpool FY1 1RZ		Freehold	LA571178
	236 Promenade, Blackpool, FY1 1RZ		Freehold	LAN19598

	The Property known as the North Shore Hotel, 224 – 232, 234 and 236 the Promenade, Blackpool FY1 1RZ as more accurately defined in a 20 years lease dated on or around the date of the Transaction made between (1) Samatt Limited and (2) Daish's Manhattan Hotel Ltd) (the North Shore Operating Lease) being a lease of the whole of the freehold land registered with title numbers LA420981, LA421463, LA839519, LA571178 and LAN19598, and to be allocated a new title number by the Land Registry upon registration of the Lease.	Daish's Manhattan Hotel Ltd (in relation to the leasehold title to be granted.	Leasehold	To be allocated a title number by the Land Registry upon registration of the North Shore Operating Lease
County Hotel, Kendal, Lake District	The County Hotel, Station Road, Kendal, LA9 6BT Property known as The County Hotel, Station Road, Kendal LA9 6BT as more accurately defined in a 20 year lease dated on or around the date of the Transaction made between (1) Samatt Limited and (2) Daish's County Hotel Limited (the Kendal Operating Lease) being a lease of the whole of the freehold land registered with title number CU90563 and to be allocated a title number by the Land Registry upon registration of the Kendal Operating Lease	Samatt Limited Daish's County Hotel Ltd	Freehold Leasehold	CU90563 To be allocated a title number by the Land Registry upon registration of the Kendal Operating Lease
Claremont Hotel, Grand Parade, Eastbourne	Land and buildings known as Claremont Hotel, Grand Parade, Eastbourne BN21 3YL Land and buildings known as Claremont Hotel, Grand Parade, Eastbourne BN21 3YL	Samatt Limited Claremont Hotel Eastbourne Limited	Freehold Leasehold	EB23495 ESX350841
Somerset Hotel, St George's Crescent, Central Promenade, Llandudno	Land and buildings known as The Somerset Hotel, St George's Crescent, Llandudno LL30 2LF Land and buildings known as The Somerset Hotel, St George's Crescent, Llandudno LL30 2LF Somerset Hotel, St George's Crescent, Llandudno LL30 2LF	Samatt Limited Samatt Limited Daish's Somerset Hotel Limited	Leasehold Leasehold Leasehold	CYM196388 WA557949 CYM700433

Prince Regent and Russell Hotels, 135 - 139 The Esplanade, Weymouth	Land and buildings known as Prince Regent and Russell Hotels at 135-140 The Esplanade, Weymouth DT4 7NG	Samatt Limited	Leasehold	DT317216
	Land and buildings at 134 The Esplanade, Weymouth DT4 7NF	Samatt Limited	Leasehold	DT371087
	Land and buildings known as 135-140 The Esplanade, Weymouth DT4 7NG as more accurately defined in a lease dated 22 December 2016 and made between (1) Samatt Limited and (2) Dalsh's Regent Hotel Limited	Dalsh's Regent Hotel Ltd	Leasehold	DT453352
The Esplanade Hotel, Belmont Road, Scarborough YO11 2AA	Freehold Land known as the Esplanade Hotel, Belmont Road, Scarborough YO11 2AA	Dalsh's Esplanade Hotel Ltd	Freehold	NYK392067

UNREGISTERED LAND

Property Description	Chargor	Tenure
Property known as land and buildings at 134 The Esplanade, Weymouth DT4 7NF as more accurately defined in an unregistered lease dated 22 December 2016 made between (1) Samatt Limited and (2) Daish's Russell Hotel Limited (Weymouth Operator Lease 2) originally granted out of the title number DT371087 and which was excluded from Part II of the Landlord and Tenant Act 1954 and which had a contractual term expiry date of 28 September 2018 and together with any new interest which has or will in the future be acquired by Daish's Russell Hotel Limited in the same premises originally demised by the Existing Weymouth Operator Lease by virtue of their continued occupation following the contractual expiration of the Existing Weymouth Operator Lease	Daish's Russell Hotel Ltd	Leasehold

Schedule 3

DETAILS OF SHARES

Name of Company (in which shares are being charged)	Description and Number of Shares	Name of Shareholder
Samatt Limited	100 ordinary shares of £1 100 ordinary B shares of £1	Daish's Group Limited
Barrowfield Hotel Limited	100 ordinary shares of £1	Samatt Limited
Bournemouth Sands Hotel Limited	100 ordinary shares of £1	Samatt Limited
Claremont Hotel Eastbourne Limited	100 ordinary shares of £1	Samatt Limited
Daish's Coaches Limited	100 ordinary shares of £1	Samatt Limited
Daish's County Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Holidays Limited	100 ordinary shares of £1	Samatt Limited
Daish's Hotel Limited	100 ordinary shares of £1	Samatt Limited
Daish's Manhattan Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Regent Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Russell Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Somerset Hotel Limited	100 ordinary shares of £1	Samatt Limited
The Devonshire Hotel Limited	100 ordinary shares of £1	Samatt Limited
Samatt (Group Services) Limited	100 ordinary shares of £1	Samatt Limited
Daish's Esplanade Hotel Ltd	100 ordinary shares of £1	Samatt Limited

Schedule 4

DETAILS OF ASSIGNED INSURANCES

Insurance Provider	Policy Type	Policy Number	Renewal Date
The National Insurance and Guarantee Corporation Limited	Hotel & Leisure Combined	BRS5802330	2 August 2020

Schedule 5

DETAILS OF ASSIGNED ACCOUNTS

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
Barrowfield Hotel Limited	Santander UK Plc	Barrowfield Hotel Limited		
Bournemouth Sands Hotel Limited	Santander UK Plc	Bournemouth Sands Hotel Limited		
Claremont Hotel Eastbourne Limited	Santander UK Plc	Claremont Hotel Eastbourne Limited		
Daish's Coaches Limited	Santander UK Plc	Daish's Coaches Ltd		
Daish's County Hotel Ltd	Santander UK Plc	Daish's County Hotel Ltd		
Daish's Group Limited	Santander UK Plc	Deposit Daish's Group		
Daish's Group Limited	Santander UK Plc	Deposit CF		
Daish's Group Limited	Santander UK Plc	Deposit BHF		
Daish's Holidays Limited	Santander UK Plc	Daish's Holidays NO1		
Daish's Holidays Limited	Santander UK Plc	Daish's Holidays NO2		
Daish's Hotel Limited	Santander UK Plc	Daish's Hotel Limited		
Daish's Manhattan Hotel Ltd	Santander UK Plc	Daish's Manhattan Hotel Ltd		
Daish's Regent Hotel Ltd	Santander UK Plc	Daish's Regent Hotel Ltd		
Daish's Russell Hotel Ltd	Santander UK Plc	Daish's Russell Hotel Ltd		
Daish's Somerset Hotel Limited	Santander UK Plc	Daish's Somerset Hotel		

		Limited		
Samatt (Group Services) Limited	Santander UK Plc	Samatt (Group Srvs)		
Samatt Limited	Santander UK Plc	Samatt Limited		
The Devonshire Hotel Limited	Santander UK Plc	The Devonshire Hotel Limited		

Schedule 6

DEED OF ACCESSION

THIS DEED is made on []

BETWEEN:-

- (1) [] (the "New Chargor"), a company incorporated in England or Wales whose registered office is at [];
- (2) Daish's Group Limited (the "Company") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) BARCLAYS BANK PLC as the Lender.

INTRODUCTION

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Company.
- (B) This Deed is supplemental to a deed dated [] (as supplemented and amended from time to time, the "Debenture") between, among others, the Company, each of the companies named in the Debenture as Chargors, and Barclays Bank PLC as Lender.
- (C) The New Chargor at the request of the Company and in consideration of the Lender making or continuing to make facilities available to the Company or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to the Lender, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);
- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);

3.4 the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*); and

3.5 the Charged Accounts charged by way of fixed charge shall include those referred to in Schedule 6 (*Charged Accounts*).

4. CONSENT OF EXISTING CHARGORS

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. EFFECT ON DEBENTURE

5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Lender (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. GOVERNING LAW

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

SCHEDULE 1

LAND

SCHEDULE 2

SHARES

SCHEDULE 3

ASSIGNED INSURANCES

SCHEDULE 4

ASSIGNED ACCOUNTS

SCHEDULE 5

BLOCKED ACCOUNTS

SIGNATURE PAGES TO DEED OF ACCESSION

The New Chargor

EXECUTED as a Deed)
by **[PARENT/COMPANY]**)
acting by two Directors or a Director and its)
Secretary:-)
)

Director

Director/Secretary

Address: []

Facsimile number []

OR

EXECUTED as a Deed by)
[PARENT/COMPANY])
acting by **[NAME OF DIRECTOR]**, a)
Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: []

Facsimile number []

The Company

EXECUTED (but not delivered
until the date hereof) **AS A DEED**
by [] **LIMITED**
acting by:-

)
)
)
)

Director

Director/Secretary

The Lender

SIGNED for and on behalf of
[] **BANK [PLC] [Plc] [plc]**

)
)

Schedule 7

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant insurer]

Date: []

Dear Sirs,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER]
(THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]**

1. We give you notice that we have entered into a debenture dated [] in favour of Barclays Bank PLC (the "Lender") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:-
 4. name the Lender as co-insured in respect of [each of] the Polic[y][ies];
 - 4.1 name the Lender as first loss payee (in respect of any claim or series of connected claims in excess of £25,000) on [each of] the Polic[y][ies];
 - 4.2 promptly inform the Lender, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
 - 4.3 advise the Lender promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
 - 4.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise the Lender at least 30 days before the reduction or restriction is due to take effect; and
 - 4.5 disclose to the Lender, without further approval from us, such information regarding the Polic[y][ies] as the Lender may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
5. Following the Lender's notification to you that the security created by the Debenture has become enforceable:-
 - 5.1.1 all payments and claims under or arising from the Polic[y][ies] are to be made to the Lender to such account (or to its order) as it may specify in writing from time to time;

- 5.1.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by the Lender; and
- 5.1.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by the Lender.
6. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. By countersigning this letter, you confirm that:-
- 8.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
- 8.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Lender 30 days written notice of it or, if it is not possible to comply with such notification to the Lender in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Lender in relation to such termination as soon as possible; and
- 8.3 you will not, without the Lender's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
9. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of Insurer]

Schedule 8

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED ACCOUNTS (NOT BLOCKED ACCOUNTS)

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: []

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [] in favour of **Barclays Bank PLC** (the "Lender") (the "Debenture").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "Assigned Account[s]");

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title and interest from time to time in the Assigned Account[s] including, without limitation all money at any time standing to the credit of the Assigned Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. Following the Lender's notification to you that the security created by the Debenture has become enforceable:
 - 4.1 any existing payment instructions affecting the Assigned Account[s] are to be terminated and all payments and communications in respect of the Assigned Account[s] should be made to the Lender or to its order (with a copy to us);
 - 4.2 all moneys standing to the credit of the Assigned Account[s] are to be held to the order of the Lender; and
 - 4.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Assigned Account[s] belong to the Lender.
5. Following the Lender's notification to you that the security created by the Debenture has become enforceable, we are not permitted to withdraw or otherwise transfer the

whole or any part of the money standing to the credit of the Assigned Account[s] without the prior written consent of the Lender.

6. By countersigning this letter, you confirm that:-
- 6.1 no fees or periodic charges are payable in respect of the Assigned Account[s] and there are no restrictions on:
- 6.1.1 the payment of the credit balance on the Assigned Account[s]; or
- 6.1.2 the assignment of the Assigned Account[s] to the Lender or any third party;
- 6.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Assigned Account[s];
- 6.3 following the Lender's notification to you that the security created by the Debenture has become enforceable, you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Assigned Account[s] without the Lender's prior written consent; and
- 6.4 you shall send all statements and other notices given by you relating to the Assigned Account[s] to the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of []-

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of account bank]

Schedule 9

FORM OF NOTICE OF ASSIGNMENT OF BLOCKED ACCOUNTS

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: []

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [] in favour of Barclays Bank PLC (the "Lender") (the "Debenture").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "Blocked Account[s]"):

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title and interest from time to time in the Blocked Account[s] including, without limitation all money at any time standing to the credit of the Blocked Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. With effect from the date of this notice:-
 - 4.1 all moneys standing to the credit of the Blocked Account[s] are to be held to the order of the Lender; and
 - 4.2 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Blocked Account[s] belong to the Lender.
5. We are not permitted to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] without the prior written consent of the Lender

6. By countersigning this letter, you confirm that:-
- 6.1 no fees or periodic charges are payable in respect of the Blocked Account[s] and there are no restrictions on:
- 6.1.1 the payment of the credit balance on the Blocked Account[s]; or
- 6.1.2 the assignment of the Blocked Account[s] to the Lender or any third party;
- 6.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Blocked Account[s];
- 6.3 you will not, without the Lender's consent:-
- 6.3.1 exercise any right of combination, consolidation or set-off which you may have in respect of the Blocked Account[s]; or
- 6.3.2 amend or vary any rights attaching to the Blocked Account[s];
- 6.4 save as specifically set out in this notice, you will act only in accordance with the instructions given by persons authorised by the Lender;
- 6.5 you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] without the Lender's prior written consent; and
- 6.6 you shall send all statements and other notices given by you relating to the Blocked Account[s] to the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of account bank]

EXECUTION PAGES

The Chargors

EXECUTED as a Deed)
by **DAISH'S GROUP LIMITED** acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by **SAMATT LIMITED** acting by a Director, in)
the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by **DAISH'S HOTEL LIMITED** acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by THE DEVONSHIRE HOTEL LIMITED)
acting by a Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by BOURNEMOUTH SANDS HOTEL)
LIMITED acting by a Director, in the presence)
of:-)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by BARROWFIELD HOTEL LIMITED acting)
by a Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by CLAREMONT HOTEL EASTBOURNE)
LIMITED acting by a Director, in the presence)
of:-)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S REGENT HOTEL LTD acting by a)
Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S RUSSELL HOTEL LTD acting by)
a Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S SOMERSET HOTEL LIMITED)
acting by a Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S COUNTY HOTEL LTD acting by a)
Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S MANHATTAN HOTEL LTD acting)
by a Director, in the presence of:-)
)

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S HOLIDAYS LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by DAISH'S COACHES LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by SAMATT (GROUP SERVICES) LIMITED)
acting by a Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed)
by **DAISH'S ESPLANADE HOTEL LTD** acting)
by a Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness:

Address:

Occupation:

The Lender

SIGNED for and on behalf of)
BARCLAYS BANK PLC)



DATED 3 MARCH 2020

EXECUTION VERSION

(1) THE CHARGORS

(2) BARCLAYS BANK PLC
(as Lender)

DEBENTURE



Pinsent Masons

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THIS DEED is made on 3 MARCH 2020

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and
- (2) **BARCLAYS BANK PLC** (the "**Lender**").

INTRODUCTION

- (A) The Lender has agreed to make credit facilities available to the Company on the terms and conditions set out in the Facility Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over its assets to the Lender.

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Account" means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts

"Assigned Account" means:-

- (a) each of the Accounts specified in Schedule 5 (*Details of Assigned Accounts*) (and any renewal or redesignation of such Accounts);
- (b) any Blocked Accounts which are maintained with any bank or financial institution other than the Lender; and
- (c) any other Account agreed by the Lender and the Company in writing to be an Assigned Account

"Assigned Insurances" means the Insurances (if any) specified in Schedule 4 (*Assigned Insurances*) (including any renewal, substitution or replacement of such Insurance)

"Blocked Account" means:-

- (a) any Holding Account (and any renewal or

	redesignation of such account); and
	(b) any other Account agreed by the Lender and the Company in writing to be a Blocked Account
"Charged Account"	means:- (a) the Accounts maintained by any Chargor with the Lender and designated in writing as a Charged Account by the Lender; and (b) any Blocked Accounts maintained with the Lender
"Deed of Accession"	means a deed substantially in the form of Schedule 6 (<i>Deed of Accession</i>) executed, or to be executed, by a person becoming a Chargor
"Default"	has the meaning given to that term in the Facility Agreement
"Default Rate"	means the rate specified in clause 10.3 (<i>Default interest</i>) of the Facility Agreement
"Event of Default"	has the meaning given to that term in the Facility Agreement
"Facility Agreement"	means the facility agreement dated on or about the date of this Deed between, among others, the Company and the Lender
"Holding Account"	has the meaning given to that term in the Facility Agreement
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties
"Intellectual Property"	means any of the following:- (a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any brand and trade names, domain names, invention, copyright, design right or performance right; (c) any trade secrets, database right, know-how

and confidential information; and

- (d) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest

"Land" has the meaning given to that term in section 205(1) of the LPA but for these purposes **"Land"** excludes heritable property situated in Scotland

"LPA" means the Law of Property Act 1925

"Monetary Claims" means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

"Party" means a party to this Deed

"Plant and Equipment" means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same

"Receiver" means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets

"Regulations" means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements

"Related Rights" means in relation to any Secured Asset:-

- (a) the proceeds of sale of all or any part of that Secured Asset;
- (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;

	(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;
	(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and
	(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset
"Secured Assets"	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Lender by or pursuant to this Deed
"Secured Finance Documents"	means the Finance Documents
"Secured Liability"	means all present and future obligations and liabilities expressed to be due, owing or payable by any Chargor to the Lender (whether present or future, actual or contingent and whether incurred solely or jointly (or jointly and severally) with any other person) (together the "Secured Liabilities")
"Securities"	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Shares"	means:- (a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and (b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time
"Transaction Security"	means the Security created or expressed to be created in favour of the Lender pursuant to the Transaction Security Documents
"Transaction Security Documents"	means has the same meaning as given to the term "Transaction Security Documents" in the Facility Agreement

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facility Agreement shall have the same meanings in this Deed.

1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.2 to 1.4 of the Facility Agreement shall apply to this Deed insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a "**Secured Finance Document**" or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

1.4 Acknowledgement

Each Chargor acknowledges that the Lender enters into this Deed for itself and as trustee for the Lender who shall be entitled to the full benefit of this Deed.

1.5 Effect as a deed

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

1.6 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.7 Third party rights

1.7.1 The Lender, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

2.2 Interest

Each Chargor covenants to pay interest at the Default Rate to the Lender on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment), provided that there shall be no double recovery of interest under the Facility Agreement and this instrument.

3. CHARGES

3.1 Land

Each Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of first fixed charge:-

(a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;

(b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and

(c) all Land acquired by any after the date of this Deed.

3.2 Shares

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

3.3 Securities

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

3.4 Intellectual Property

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.5 Monetary Claims

Each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

3.6 Charged Accounts

Each Chargor charges by way of first fixed charge:-

3.6.1 all amounts standing to the credit of the Charged Accounts; and

3.6.2 all Related Rights under or in connection with the Charged Accounts.

3.7 Plant and Equipment

Each Chargor charges by way of first fixed charge:-

3.7.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.7.2 all Related Rights under or in connection with the Plant and Equipment.

3.8 Goodwill

Each Chargor charges by way of first fixed charge its present and future goodwill.

3.9 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital.

3.10 Authorisations

Each Chargor charges by way of first fixed charge the benefit of all licences, consents, and agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

3.11 Assigned Insurances

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.11.1 the Assigned Insurances to which it is a party; and

3.11.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

3.12 Assigned Accounts

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.12.1 the Assigned Accounts in its name; and

3.12.2 all Related Rights under or in connection with the Assigned Accounts in its name.

3.13 Floating Charge

3.13.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.14 Trust

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

3.14.1 hold it on trust for the Lender as security for the payment and discharge of the Secured Liabilities; and

3.14.2 take such steps as the Lender may require to remove the impediment to assignment or charging it.

3.15 Nature of Security created

The Security created under this Deed is created as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities with full title guarantee.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

4.1.1 The Lender may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.13 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 13.1 (*Enforcement*); or
- (b) the Lender considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
- (c) the Lender considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.13 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.13 (*Floating charge*).

4.2 Crystallisation: Automatic

The floating charge created by a Chargor under Clause 3.13 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facility Agreement)) over any of the Secured Assets; or

4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or

- 4.2.3 if the Lender receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 If any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

4.3 Assets acquired post-crystallisation

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.13 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by a Chargor at the date of crystallisation.

4.4 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.13 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:-

- 4.4.1 the obtaining of a moratorium; or
- 4.4.2 anything done with a view to obtaining a moratorium,

under Schedule A1 to the Insolvency Act 1986.

4.5 Partial crystallisation

The giving of a notice by the Lender pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or of any other right of the Lender.

4.6 De-crystallisation of floating charge

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Lender to the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

5. PERFECTION OF SECURITY

5.1 Notices of assignment

5.1.1 The Chargors must deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

(a) Assigned Insurances:-

- (i) on the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;

- (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, on or within 5 Business Days of the date of the renewal, substitution or replacement, a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;

(b) Assigned Accounts:-

- (i) In respect of each Assigned Account (other than a Blocked Account) by issuing, on the date on which the assignment is granted, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts (not Blocked Accounts)*) addressed to the bank or financial institution with whom the Assigned Account is held;
- (ii) in respect of each Blocked Account which is an Assigned Account by issuing, on the date on which the assignment is granted, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Blocked Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held; and
- (iii) in respect of any Account subsequently designated in writing by the Lender and the Company as an Assigned Account, by issuing, within 5 Business Days of the date of the designation, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts (not Blocked Accounts)*) or, if the Account is a Blocked Account, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Blocked Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held.

5.1.2 The Chargors shall use all reasonable endeavours to procure that, within 14 days of the date of the each notice of assignment delivered pursuant to Clause 5.1.1 above, each notice of assignment is acknowledged by the party to whom it is addressed.

5.1.3 Each Chargor will deliver to the Lender:-

- (a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and
- (b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

5.2 Documents of Title

5.2.1 Land

The Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Lender of either:-

- (a) all deeds, certificates and other documents relating to such Land (which the Lender shall be entitled to hold and retain at the expense and risk of the Chargors); or

- (b) an undertaking from the Company's solicitors (in form and substance acceptable to the Lender) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Lender.

5.2.2 Shares

The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to the Lender of:-

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Lender so requires, pre-stamped; and
- (c) any other documents which the Lender may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which the Lender is entitled to hold at the expense and risk of the Chargors.

5.2.3 Securities

As soon as any Securities are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Lender or a nominee (and in any event as soon as the Lender so requests), such Chargor shall deposit with the Lender, in respect of or in connection with those Securities:-

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Lender so requires, pre-stamped; and
- (c) any other documents which the Lender may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Lender is entitled to hold at the expense and risk of the Chargors.

5.3 Application to the Land Registry

Each Chargor and the Lender apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a

written consent signed by the proprietor for the time being of the charge dated [insert date] in favour of Barclays Bank PLC referred to in the charges register (Form P)"

5.3.2 a notice that:-

"Barclays Bank PLC is under an obligation to make further advances."

6. COVENANTS

6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Lender requires to:-

- 6.1.1 give effect to the requirements of this Deed;
- 6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Lender or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Lender or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

6.2 Negative pledge

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 25.12 (*Negative pledge*) of the Facility Agreement except as expressly permitted under the terms of the Facility Agreement.

6.3 Disposals

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except as permitted by clause 25.13 (*Disposals*) of the Facility Agreement.

6.4 Land

Each Chargor shall promptly notify the Lender in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Lender (at the cost of that Chargor) execute a legal mortgage in favour of the Lender of that property in any form which the Lender may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

7. SHARES AND SECURITIES

7.1 Shares: before an Event of Default

Prior to the occurrence of an Event of Default, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 7.1.3 promptly upon receipt, forward to the Lender copies of all notices and other communications received in connection with the Shares;
- 7.1.4 promptly comply with (and copy to the Lender) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of the Lender.

7.2 **Shares: after an Event of Default**

After the occurrence of an Event of Default, the Lender may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
 - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
 - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Lender may think fit, and the proceeds of any such action shall form part of the Secured Assets.

7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Lender may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Lender shall be reimbursed by the Chargor to the Lender

on demand and shall carry interest from the date of payment by the Lender until reimbursed at the rate notified to the Chargor by the Lender.

7.4 Securities: exercise of rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Lender, would prejudice the effectiveness of, or the ability of the Lender to realise, the Security created by or pursuant to this Deed.

8. INTELLECTUAL PROPERTY

Each Chargor shall, if requested by the Lender and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Lender may require and do all acts that the Lender may require to perfect the Security taken by, or to record the interest of, the Lender in any registers relating to any registered Intellectual Property.

9. MONETARY CLAIMS

9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Assigned Account or a Charged Account.

9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Lender or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

9.3 If and to the extent that the Lender so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Lender may require into such Account(s) as the Lender may from time to time specify and pending such payment shall hold all such receipts on trust for the Lender.

10. ACCOUNTS

10.1 General

10.1.1 Each Chargor shall:-

(a) deliver to the Lender:-

(i) on the date of this Deed (or the date of any Deed of Accession, if applicable), details of each of its Accounts; and

(ii) if any change in such detail (including any renewal or redesignation of any such Account) occurs after the date of this Deed or any new Account is opened as permitted under the terms of the Facility Agreement, details of such change or new Account on the date of such change or opening;

(b) not, without the prior written consent of the Lender, permit or agree to any variation of the rights attaching to, or close, any Account; and

- (c) open such new Accounts as the Lender may require (whether before or after the Security created by this Deed has become enforceable).
- 10.1.2 Without prejudice to and in addition to Clauses 6.2 (*Negative pledge*) and 6.3 (*Disposals*):-
- (a) the benefit of each Charged Account and each Assigned Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
 - (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Charged Account or Assigned Account without the prior written consent of the Lender.
- 10.1.3 Upon the Security created by this Deed becoming enforceable, the Lender shall be deemed to have designated in writing all Accounts other than the Charged Accounts and the Assigned Accounts as Assigned Accounts (or, in the case of any Accounts maintained with the Lender (in any capacity), as Charged Accounts) and at any time thereafter the Lender may:
- (a) in relation to such new Assigned Accounts, require the Chargors to, and the Chargors shall immediately on request, serve a notice of assignment in accordance with Clause 5.1 (*Notices of assignment*) on each bank or other financial institution with which any such Account is maintained (and the relevant Chargor shall comply with its obligation under Clause 5.1.3 to obtain an acknowledgement of each such notice of assignment); and
 - (b) exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

10.2 Charged Accounts

10.2.1 Charged Accounts: before an Event of Default

- (a) The Chargors shall, prior to the occurrence of an Event of Default be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account (other than any Blocked Account).
- (b) Save as permitted pursuant to the terms of the Secured Finance Documents, the Chargors shall not make any withdrawal from any Blocked Account without the prior written consent of the Lender.
- (c) The Chargors hereby authorise the Lender (in its capacity as the bank with whom each Charged Account is maintained) to endorse any statement in relation to any Charged Account with a statement to the effect that:-
 - (i) the benefit of such Charged Account is not capable of assignment or charge without the prior written consent of the Lender;
 - (ii) the relevant Chargor has agreed not to assign, charge or otherwise deal with any moneys standing to the credit of

such Charged Account without the prior written consent of the Lender; and

- (iii) the benefit of such Charged Account is subject to a first fixed charge in favour of the Lender.

10.2.2 Charged Accounts: after an Event of Default

- (a) The Lender shall, upon the occurrence of an Event of Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Charged Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).
- (b) After the occurrence of an Event of Default, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account except with the prior consent of the Lender.

10.3 Assigned Accounts

10.3.1 Assigned Accounts: before an Event of Default

- (a) Subject to Clause 10.3.1(b) below, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Lender or as expressly permitted pursuant to the terms of the Secured Finance Documents.
- (b) If and to the extent necessary to enable, and for the sole purpose of enabling:-
 - (i) the Chargors to comply with their obligations to make repayments of the Secured Liabilities arising under the Secured Finance Documents; or
 - (ii) the Lender to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Secured Finance Documents,

the Lender shall provide consent or execute any documentation required to allow for the release from the Security created by this Deed the whole or any part of the sums standing to the credit of any Blocked Account.

10.3.2 Assigned Accounts: after an Event of Default

The Lender shall, upon the occurrence of an Event of Default be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:-

- (a) demand and receive all and any moneys due under or arising out of each Assigned Account;
- (b) exercise all such rights as the Chargors were then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Deed, exercise; and

- (c) apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).

11. ASSIGNED INSURANCES

11.1 Each Chargor shall:-

- 11.1.1 deliver to the Lender, promptly following execution of the same, such documents relating to the Assigned Insurances as the Lender may reasonably require;
- 11.1.2 perform all its obligations under the Assigned Insurances in a diligent and timely manner; and
- 11.1.3 notify the Lender of any breach of or default under an Assigned Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Insurance, promptly upon becoming aware of the same.

11.2 The Chargors shall not, without the prior written consent of the Lender:-

- 11.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Insurance;
- 11.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Insurance; or
- 11.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Insurance,

except as permitted by the terms of the Facility Agreement.

- 11.3 While no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Facility Agreement.

12. PROTECTION OF SECURED ASSETS

12.1 Insurance

- 12.1.1 The Chargors shall at all times during the subsistence of this Deed keep the Secured Assets insured in accordance with the terms of the Facility Agreement.
- 12.1.2 If any Chargor defaults in complying with Clause 12.1.1, the Lender may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys expended by the Lender in doing so shall be reimbursed by the Chargors to the Lender on demand and shall carry interest from the date of payment by the Lender until reimbursed at the rate specified in Clause 2 (*Covenant to Pay*).

12.2 Application of Insurance Proceeds

- 12.2.1 All moneys received under any Insurance relating to the Secured Assets shall, prior to the occurrence of an Event of Default, be applied in accordance with the terms of the Facility Agreement.
- 12.2.2 After the occurrence of an Event of Default the Chargors shall hold such moneys upon trust for the Lender pending payment to the Lender for application in accordance with Clause 15 (*Application of Moneys*) and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Secured Assets.

12.3 Power to remedy

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Lender reasonably considers that a Chargor has failed to comply with any such obligations, the Lender may, if it thinks fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Lender or its agents or contractors such access as the Lender may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

13. DEMAND AND ENFORCEMENT

13.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 13.1.1 the occurrence of an Event of Default which is continuing;
- 13.1.2 any request being made by a Chargor to the Lender for the appointment of a Receiver or an administrator, or for the Lender to exercise any other power or right available to it; or
- 13.1.3 the occurrence of any event arising under Clause 4.2.5 causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

13.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Lender may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 13.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 13.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the

title in and to it to the Lender insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Lender shall determine in a commercially reasonable manner;

13.2.4 subject to Clause 14.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

13.2.5 appoint an administrator of any Chargor.

13.3 Disposal of the Secured Assets

In exercising the powers referred to in Clause 13.2 (*Powers on enforcement*), the Lender or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

13.4 Same rights as Receiver

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by the Lender, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Lender shall have taken possession or appointed a Receiver of the Secured Assets.

13.5 Delegation

The Lender may delegate in any manner to any person any rights exercisable by the Lender under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Lender thinks fit.

14. RECEIVERS

14.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Lender under this Deed shall be in writing under the hand of any officer or manager of the Lender (subject to any requirement for a court order in the case of the removal of an administrative receiver).

14.2 Removal

The Lender may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

14.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

14.3.1 of the Lender under this Deed;

14.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

- 14.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 14.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and
- 14.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

14.4 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Lender.

14.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

14.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Lender and the maximum rate specified in section 109(6) of the LPA shall not apply.

15. APPLICATION OF MONEYS

15.1 Application of moneys

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Lender or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 15.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Lender, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 15.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Lender or any Receiver;
- 15.1.3 **thirdly**, in or towards payment of the Secured Liabilities in such order as the Lender may at its discretion require; and
- 15.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

16. POWER OF ATTORNEY

16.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

- 16.1.1 the Lender (whether or not a Receiver has been appointed);
- 16.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Lender; and
- 16.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Lender in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling the Lender or the Receiver to exercise any of its rights or powers under this Deed.

16.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 16.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 16.1 (*Appointment*).

17. CONSOLIDATION

17.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Lender may at any time after this Deed has become enforceable, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Lender, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

17.2 Application

The Lender's rights under Clause 17.1 (*Combination of accounts*) apply:-

- 17.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 17.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 17.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Lender may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 17.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

18. PROTECTION OF THIRD PARTIES

18.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Lender, as varied and extended by this Deed, and all other powers of the Lender, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

18.2 Purchasers

No purchaser from or other person dealing with the Lender, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

18.2.1 to enquire whether any of the powers which the Lender or a Receiver have exercised has arisen or become exercisable;

18.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

18.2.3 as to the propriety or validity of the exercise of those powers; or

18.2.4 with the application of any moneys paid to the Lender, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

18.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Lender, any Receiver or any person to whom any of them have delegated any of their powers.

19. PROTECTION OF THE LENDER AND ANY RECEIVER

19.1 No liability

None of the Lender, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

19.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render the Lender, any Receiver or any of their respective officers or employees liable:-

19.2.1 to account as mortgagee in possession;

19.2.2 for any loss on realisation; or

19.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Lender or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

19.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Lender, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

- 19.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;
- 19.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;
- 19.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 19.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 19.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Lender,

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

19.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 19 (*Protection of the Lender and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

19.5 Indemnity out of the Secured Assets

The Lender, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 19.3 (*Indemnity*).

19.6 Liability of Chargors related to Secured 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 Secured Assets. The Lender or any Receiver are not under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

19.7 Continuing protection

The provisions of this Clause 19 (*Protection of the Lender and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

20. PROVISIONS RELATING TO THE LENDER

20.1 Powers and discretions

The rights, powers and discretions given to the Lender in this Deed:-

- 20.1.1 may be exercised as often as, and in such manner as, the Lender thinks fit;
- 20.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 20.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

20.2 Certificates

A certificate by an officer of the Lender:-

- 20.2.1 as to any amount for the time being due to the Lender; or
- 20.2.2 as to any sums payable to the Lender under this Deed,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

20.3 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

21. PRESERVATION OF SECURITY

21.1 Continuing Security

This Deed shall be a continuing security to the Lender and shall remain in force until expressly discharged in writing by the Lender notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

21.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Lender may have now or at any time in the future for or in respect of any of the Secured Liabilities.

21.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargors under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Lender) including:-

- 21.3.1 any time, waiver or consent granted to, or composition with, any person;
- 21.3.2 the release of any person under the terms of any composition or arrangement with any person;
- 21.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any 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;

21.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;

21.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;

21.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or

21.3.7 an insolvency, liquidation, administration or similar procedure.

21.4 Immediate recourse

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

21.5 Appropriations

Until full and final satisfaction of the Secured Liabilities, the Lender may:-

21.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 15.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and

21.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

21.6 New accounts

If the Lender receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Secured Assets or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Lender may close the current account or accounts and/or open a new account or accounts for such Chargor. If the Lender does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Lender shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce the Secured Liabilities.

21.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Lender confirms that the Lender shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

21.8 Deferral of Chargor's rights

Until full and final satisfaction of the Secured Liabilities and unless the Lender otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 21.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 21.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;
- 21.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by the Lender;
- 21.8.4 to exercise any right of set-off against any Obligor; and/or
- 21.8.5 to claim or prove as a creditor of any Obligor in competition with the Lender.

22. RELEASE

22.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Lender shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 22.1.1 release the Secured Assets from this Deed; and
- 22.1.2 re-assign the Secured Assets that have been assigned to the Lender under this Deed.

22.2 Reinstatement

If the Lender considers that any amount paid or credited to it under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

- 22.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and
- 22.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

22.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

23. MISCELLANEOUS PROVISIONS

23.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

23.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

23.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

23.2 Information

The Lender may from time to time seek from any other person having dealings with the Chargors such Information about the Chargors and their affairs as the Lender may think fit and each Chargor agrees to request any such person to provide any such information to the Lender and agrees to provide such further authority in this regard as the Lender or any such third party may from time to time require.

23.3 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

23.4 Counterparts

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

23.5 Deeds of Accession

23.5.1 The Company and each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

23.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to the Lender (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

23.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it

as at the date of delivery as if made by reference to the facts and circumstances then existing.

24. GOVERNING LAW

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

25. ENFORCEMENT

25.1 Jurisdiction of English Courts

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

25.1.3 This Clause 25.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1
THE CHARGORS

Company name	No
Daish's Group Limited	08010239
Samatt Limited	01750500
Daish's Hotel Limited	01552456
The Devonshire Hotel Limited	02772103
Bournemouth Sands Hotel Limited	05051024
Barrowfield Hotel Limited	06009940
Claremont Hotel Eastbourne Limited	06825855
Daish's Regent Hotel Ltd	08793588
Daish's Russell Hotel Ltd	09989450
Daish's Somerset Hotel Limited	08595214
Daish's County Hotel Ltd	11425096
Daish's Manhattan Hotel Ltd	11424662
Daish's Holidays Limited	02989521
Daish's Coaches Limited	03611867
Samatt (Group Services) Limited	05051027
Daish's Esplanade Hotel Ltd	12404830

Schedule 2

DETAILS OF LAND

REGISTERED LAND

Property Description	Land Registry Description of Land	Chargor	Tenure	Title number
Devonshire Hotel, Park Hill Road, Torquay	Land and buildings known as The Devonshire Hotel, Park Hill Road, Torquay TQ1 2DY	Samatt Limited	Freehold	DN401813
		The Devonshire Hotel Limited	Leasehold	DN563354
Daish's Hotel, 81 High Street, Shanklin, Isle of Wight	Land forming part of Daish's Hotel, Pomona Road, Shanklin	Samatt Limited	Freehold	IW29991
	Land known as Daish's Hotel, 81 High Street Shanklin PO37 6NP and land at High Street, Shanklin	Samatt Limited	Leasehold	IW29992
	81 High Street Shanklin PO37 6NP	Daish's Hotel Limited	Leasehold	IW66857
Bournemouth Sands, 2 West Cliff Gardens, Bournemouth	Land and buildings known as Bournemouth Sands Hotel, West Cliff Gardens, Bournemouth, BH2 5HR	Samatt Limited	Freehold	DT165277
	Land known Bournemouth Sands Hotel, West Cliff Gardens, Bournemouth, BH2 5HR	Bournemouth Sands Hotel Limited	Leasehold	DT430497
Barrowfield Hotel, Hilgrove Road, Newquay	Land known as Barrowfield Hotel, 1-5 Hilgrove Road, Newquay TR7 2QY	Samatt Limited	Freehold	CL41811
	Land known as Barrowfield Hotel, 1-5 Hilgrove Road, Newquay TR7 2QY	Samatt Limited	Freehold	CL125848
	Land known as Barrowfield Hotel, Hilgrove Road, Newquay TR7 2QY	Barrowfield Hotel Limited	Leasehold	CL247437
North Shore Hotel, 224 North Promenade, Blackpool	234 Promenade, Blackpool FY1 1RZ	Samatt Limited (in relation to the freehold titles)	Freehold	LA420981
	224 to 232 Promenade, Blackpool FY1 1RZ		Freehold	LA421463
	224 - 232 Promenade, Blackpool, FY1 1RZ		Freehold	LA839519
	224 - 232 Promenade, Blackpool FY1 1RZ		Freehold	LA571178
	236 Promenade, Blackpool, FY1 1RZ		Freehold	LAN19598

	The Property known as the North Shore Hotel, 224 – 232, 234 and 236 the Promenade, Blackpool FY1 1RZ as more accurately defined in a 20 years lease dated on or around the date of the Transaction made between (1) Samatt Limited and (2) Daish's Manhattan Hotel Ltd) (the North Shore Operating Lease) being a lease of the whole of the freehold land registered with title numbers LA420981, LA421463, LA839519, LA571178 and LAN19598, and to be allocated a new title number by the Land Registry upon registration of the Lease.	Daish's Manhattan Hotel Ltd (in relation to the leasehold title to be granted.	Leasehold	To be allocated a title number by the Land Registry upon registration of the North Shore Operating Lease
County Hotel, Kendal, Lake District	The County Hotel, Station Road, Kendal, LA9 6BT Property known as The County Hotel, Station Road, Kendal LA9 6BT as more accurately defined in a 20 year lease dated on or around the date of the Transaction made between (1) Samatt Limited and (2) Daish's County Hotel Limited (the Kendal Operating Lease) being a lease of the whole of the freehold land registered with title number CU90563 and to be allocated a title number by the Land Registry upon registration of the Kendal Operating Lease	Samatt Limited Daish's County Hotel Ltd	Freehold Leasehold	CU90563 To be allocated a title number by the Land Registry upon registration of the Kendal Operating Lease
Claremont Hotel, Grand Parade, Eastbourne	Land and buildings known as Claremont Hotel, Grand Parade, Eastbourne BN21 3YL Land and buildings known as Claremont Hotel, Grand Parade, Eastbourne BN21 3YL	Samatt Limited Claremont Hotel Eastbourne Limited	Freehold Leasehold	EB23495 ESX350841
Somerset Hotel, St George's Crescent, Central Promenade, Llandudno	Land and buildings known as The Somerset Hotel, St George's Crescent, Llandudno LL30 2LF Land and buildings known as The Somerset Hotel, St George's Crescent, Llandudno LL30 2LF Somerset Hotel, St George's Crescent, Llandudno LL30 2LF	Samatt Limited Samatt Limited Daish's Somerset Hotel Limited	Leasehold Leasehold Leasehold	CYM196388 WA557949 CYM700433

Prince Regent and Russell Hotels, 135 - 139 The Esplanade, Weymouth	Land and buildings known as Prince Regent and Russell Hotels at 135-140 The Esplanade, Weymouth DT4 7NG	Samatt Limited	Leasehold	DT317216
	Land and buildings at 134 The Esplanade, Weymouth DT4 7NF	Samatt Limited	Leasehold	DT371087
	Land and buildings known as 135-140 The Esplanade, Weymouth DT4 7NG as more accurately defined in a lease dated 22 December 2016 and made between (1) Samatt Limited and (2) Dalsh's Regent Hotel Limited	Dalsh's Regent Hotel Ltd	Leasehold	DT453352
The Esplanade Hotel, Belmont Road, Scarborough YO11 2AA	Freehold Land known as the Esplanade Hotel, Belmont Road, Scarborough YO11 2AA	Dalsh's Esplanade Hotel Ltd	Freehold	NYK392067

UNREGISTERED LAND

Property Description	Chargor	Tenure
Property known as land and buildings at 134 The Esplanade, Weymouth DT4 7NF as more accurately defined in an unregistered lease dated 22 December 2016 made between (1) Samatt Limited and (2) Daish's Russell Hotel Limited (Weymouth Operator Lease 2) originally granted out of the title number DT371087 and which was excluded from Part II of the Landlord and Tenant Act 1954 and which had a contractual term expiry date of 28 September 2018 and together with any new interest which has or will in the future be acquired by Daish's Russell Hotel Limited in the same premises originally demised by the Existing Weymouth Operator Lease by virtue of their continued occupation following the contractual expiration of the Existing Weymouth Operator Lease	Daish's Russell Hotel Ltd	Leasehold

Schedule 3

DETAILS OF SHARES

Name of Company (in which shares are being charged)	Description and Number of Shares	Name of Shareholder
Samatt Limited	100 ordinary shares of £1 100 ordinary B shares of £1	Daish's Group Limited
Barrowfield Hotel Limited	100 ordinary shares of £1	Samatt Limited
Bournemouth Sands Hotel Limited	100 ordinary shares of £1	Samatt Limited
Claremont Hotel Eastbourne Limited	100 ordinary shares of £1	Samatt Limited
Daish's Coaches Limited	100 ordinary shares of £1	Samatt Limited
Daish's County Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Holidays Limited	100 ordinary shares of £1	Samatt Limited
Daish's Hotel Limited	100 ordinary shares of £1	Samatt Limited
Daish's Manhattan Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Regent Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Russell Hotel Ltd	100 ordinary shares of £1	Samatt Limited
Daish's Somerset Hotel Limited	100 ordinary shares of £1	Samatt Limited
The Devonshire Hotel Limited	100 ordinary shares of £1	Samatt Limited
Samatt (Group Services) Limited	100 ordinary shares of £1	Samatt Limited
Daish's Esplanade Hotel Ltd	100 ordinary shares of £1	Samatt Limited

Schedule 4

DETAILS OF ASSIGNED INSURANCES

Insurance Provider	Policy Type	Policy Number	Renewal Date
The National Insurance and Guarantee Corporation Limited	Hotel & Leisure Combined	BRS5802330	2 August 2020

Schedule 5

DETAILS OF ASSIGNED ACCOUNTS

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
Barrowfield Hotel Limited	Santander UK Plc	Barrowfield Hotel Limited		
Bournemouth Sands Hotel Limited	Santander UK Plc	Bournemouth Sands Hotel Limited		
Claremont Hotel Eastbourne Limited	Santander UK Plc	Claremont Hotel Eastbourne Limited		
Daish's Coaches Limited	Santander UK Plc	Daish's Coaches Ltd		
Daish's County Hotel Ltd	Santander UK Plc	Daish's County Hotel Ltd		
Daish's Group Limited	Santander UK Plc	Deposit Daish's Group		
Daish's Group Limited	Santander UK Plc	Deposit CF		
Daish's Group Limited	Santander UK Plc	Deposit BHF		
Daish's Holidays Limited	Santander UK Plc	Daish's Holidays NO1		
Daish's Holidays Limited	Santander UK Plc	Daish's Holidays NO2		
Daish's Hotel Limited	Santander UK Plc	Daish's Hotel Limited		
Daish's Manhattan Hotel Ltd	Santander UK Plc	Daish's Manhattan Hotel Ltd		
Daish's Regent Hotel Ltd	Santander UK Plc	Daish's Regent Hotel Ltd		
Daish's Russell Hotel Ltd	Santander UK Plc	Daish's Russell Hotel Ltd		
Daish's Somerset Hotel Limited	Santander UK Plc	Daish's Somerset Hotel		

		Limited		
Samatt (Group Services) Limited	Santander UK Plc	Samatt (Group Srvs)		
Samatt Limited	Santander UK Plc	Samatt Limited		
The Devonshire Hotel Limited	Santander UK Plc	The Devonshire Hotel Limited		

Schedule 6

DEED OF ACCESSION

THIS DEED is made on []

BETWEEN:-

- (1) [] (the "New Chargor"), a company incorporated in England or Wales whose registered office is at [];
- (2) Dalsh's Group Limited (the "Company") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) **BARCLAYS BANK PLC** as the Lender.

INTRODUCTION

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Company.
- (B) This Deed is supplemental to a deed dated [] (as supplemented and amended from time to time, the "Debenture") between, among others, the Company, each of the companies named in the Debenture as Chargors, and Barclays Bank PLC as Lender.
- (C) The New Chargor at the request of the Company and in consideration of the Lender making or continuing to make facilities available to the Company or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to the Lender, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);
- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);

3.4 the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*); and

3.5 the Charged Accounts charged by way of fixed charge shall include those referred to in Schedule 6 (*Charged Accounts*).

4. CONSENT OF EXISTING CHARGORS

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. EFFECT ON DEBENTURE

5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Lender (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. GOVERNING LAW

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

SCHEDULE 1

LAND

SCHEDULE 2

SHARES

SCHEDULE 3

ASSIGNED INSURANCES

SCHEDULE 4

ASSIGNED ACCOUNTS

SCHEDULE 5

BLOCKED ACCOUNTS

SIGNATURE PAGES TO DEED OF ACCESSION

The New Chargor

EXECUTED as a Deed)
by **[PARENT/COMPANY]**)
acting by two Directors or a Director and its)
Secretary:-)
)

Director

Director/Secretary

Address: []

Facsimile number []

OR

EXECUTED as a Deed by)
[PARENT/COMPANY])
acting by **[NAME OF DIRECTOR]**, a)
Director, in the presence of:-)

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: []

Facsimile number []

The Company

EXECUTED (but not delivered
until the date hereof) **AS A DEED**
by [] **LIMITED**
acting by:-

)
)
)
)

Director

Director/Secretary

The Lender

SIGNED for and on behalf of
[] **BANK [PLC] [Plc] [plc]**

)
)

Schedule 7

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant insurer]

Date: []

Dear Sirs,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER]
(THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]**

1. We give you notice that we have entered into a debenture dated [] in favour of **Barclays Bank PLC** (the "Lender") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:-
4. name the Lender as co-insured in respect of [each of] the Polic[y][ies];
- 4.1 name the Lender as first loss payee (in respect of any claim or series of connected claims in excess of £25,000) on [each of] the Polic[y][ies];
- 4.2 promptly inform the Lender, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
- 4.3 advise the Lender promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
- 4.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise the Lender at least 30 days before the reduction or restriction is due to take effect; and
- 4.5 disclose to the Lender, without further approval from us, such information regarding the Polic[y][ies] as the Lender may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
5. Following the Lender's notification to you that the security created by the Debenture has become enforceable:-
 - 5.1.1 all payments and claims under or arising from the Polic[y][ies] are to be made to the Lender to such account (or to its order) as it may specify in writing from time to time;

- 5.1.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by the Lender; and
- 5.1.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by the Lender.
6. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. By countersigning this letter, you confirm that:-
- 8.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
- 8.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Lender 30 days written notice of it or, if it is not possible to comply with such notification to the Lender in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Lender in relation to such termination as soon as possible; and
- 8.3 you will not, without the Lender's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
9. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of Insurer]

Schedule 8

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED ACCOUNTS (NOT BLOCKED ACCOUNTS)

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: []

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [] in favour of **Barclays Bank PLC** (the "Lender") (the "Debenture").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "Assigned Account[s]");

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title and interest from time to time in the Assigned Account[s] including, without limitation all money at any time standing to the credit of the Assigned Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. Following the Lender's notification to you that the security created by the Debenture has become enforceable:
 - 4.1 any existing payment instructions affecting the Assigned Account[s] are to be terminated and all payments and communications in respect of the Assigned Account[s] should be made to the Lender or to its order (with a copy to us);
 - 4.2 all moneys standing to the credit of the Assigned Account[s] are to be held to the order of the Lender; and
 - 4.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Assigned Account[s] belong to the Lender.
5. Following the Lender's notification to you that the security created by the Debenture has become enforceable, we are not permitted to withdraw or otherwise transfer the

whole or any part of the money standing to the credit of the Assigned Account[s] without the prior written consent of the Lender.

6. By countersigning this letter, you confirm that:-
- 6.1 no fees or periodic charges are payable in respect of the Assigned Account[s] and there are no restrictions on:
- 6.1.1 the payment of the credit balance on the Assigned Account[s]; or
- 6.1.2 the assignment of the Assigned Account[s] to the Lender or any third party;
- 6.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Assigned Account[s];
- 6.3 following the Lender's notification to you that the security created by the Debenture has become enforceable, you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Assigned Account[s] without the Lender's prior written consent; and
- 6.4 you shall send all statements and other notices given by you relating to the Assigned Account[s] to the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of account bank]

Schedule 9

FORM OF NOTICE OF ASSIGNMENT OF BLOCKED ACCOUNTS

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: []

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [] in favour of **Barclays Bank PLC** (the "Lender") (the "Debenture").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "Blocked Account[s]"):

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Lender by way of security all of our rights, title and interest from time to time in the Blocked Account[s] including, without limitation all money at any time standing to the credit of the Blocked Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. With effect from the date of this notice:-
 - 4.1 all moneys standing to the credit of the Blocked Account[s] are to be held to the order of the Lender; and
 - 4.2 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Blocked Account[s] belong to the Lender.
5. We are not permitted to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] without the prior written consent of the Lender

6. By countersigning this letter, you confirm that:-
- 6.1 no fees or periodic charges are payable in respect of the Blocked Account[s] and there are no restrictions on:
- 6.1.1 the payment of the credit balance on the Blocked Account[s]; or
- 6.1.2 the assignment of the Blocked Account[s] to the Lender or any third party;
- 6.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Blocked Account[s];
- 6.3 you will not, without the Lender's consent:-
- 6.3.1 exercise any right of combination, consolidation or set-off which you may have in respect of the Blocked Account[s]; or
- 6.3.2 amend or vary any rights attaching to the Blocked Account[s];
- 6.4 save as specifically set out in this notice, you will act only in accordance with the instructions given by persons authorised by the Lender;
- 6.5 you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] without the Lender's prior written consent; and
- 6.6 you shall send all statements and other notices given by you relating to the Blocked Account[s] to the Lender.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Lender at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
COMPANY/

Acknowledged:

.....

For and on behalf of

[Name of account bank]

EXECUTION PAGES

The Chargors

EXECUTED as a Deed)
by DAISH'S GROUP LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness: [Redacted] Director [Redacted]

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
Solicitor BH8 8EX

EXECUTED as a Deed)
by SAMATT LIMITED acting by a Director, in)
the presence of:-)
)

Signature of witness: [Redacted] Director [Redacted]

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
Solicitor BH8 8EX

EXECUTED as a Deed)
by DAISH'S HOTEL LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness: [Redacted] Director [Redacted]

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
Solicitor BH8 8EX

EXECUTED as a Deed)
by THE DEVONSHIRE HOTEL LIMITED)
acting by a Director, in the presence of:-)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by BOURNEMOUTH SANDS HOTEL)
LIMITED acting by a Director, in the presence)
of:-)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by BARROWFIELD HOTEL LIMITED acting)
by a Director, in the presence of:-)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

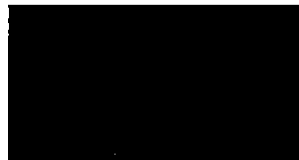
EXECUTED as a Deed)
by CLAREMONT HOTEL EASTBOURNE)
LIMITED acting by a Director, in the presence)
of:-)



Signature of witness:  Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by DAISH'S REGENT HOTEL LTD acting by a)
Director, in the presence of:-)



Signature of witness:  Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by DAISH'S RUSSELL HOTEL LTD acting by)
a Director, in the presence of:-)



Signature of witness:  Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed
by DAISH'S SOMERSET HOTEL LIMITED
acting by a Director, in the presence of:-

Signature of witness:

Director

Name of witness: SUSAN COWAN

Address: Lester Aldridge LLP
Russell House
Occupation: Oxford Road
Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed
by DAISH'S COUNTY HOTEL LTD acting by a
Director, in the presence of:-

Signature of witness:

Director

Name of witness: SUSAN COWAN

Address: Lester Aldridge LLP
Russell House
Occupation: Oxford Road
Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed
by DAISH'S MANHATTAN HOTEL LTD acting
by a Director, in the presence of:-

Signature of witness:

Director

Name of witness: SUSAN COWAN

Address: Lester Aldridge LLP
Russell House
Occupation: Oxford Road
Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by DAISH'S HOLIDAYS LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by DAISH'S COACHES LIMITED acting by a)
Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by SAMATT (GROUP SERVICES) LIMITED)
acting by a Director, in the presence of:-)
)

Signature of witness:

Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
SOLICITOR BH8 8EX

EXECUTED as a Deed)
by DAISH'S ESPLANADE HOTEL LTD acting)
by a Director, in the presence of:-)

Signature of witness: [REDACTED] Director

Name of witness: SUSAN COWAN
Address: Lester Aldridge LLP
Russell House
Oxford Road
Occupation: Bournemouth
Solicitor BH8 8EX

The Lender

SIGNED for and on behalf of)
BARCLAYS BANK PLC)

