

M

COMPANIES FORM No. 410(Scot)

Particulars of a charge created by a company registered in Scotland

410

Please do not
write in
this margin

Pursuant to section 410 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

*
insert full name
of company

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

13

SC055493

Name of company

* SCOTTISH HIGHLAND HOTELS LIMITED (the "Company")

Date of creation of the charge (note 1)

23 December 1999

Description of the instrument (if any) creating or evidencing the charge (note 1)

Guarantee and Floating Charge (the "Guarantee and Floating Charge")

Amount secured by the charge

The actual, contingent, present and/or future obligations and liabilities of the Company to any of the Secured Parties under or pursuant to any of the Financing Documents (including the Guarantee and Floating Charge and the Standard Security).

Names and addresses of the persons entitled to the charge

De Nationale Investeringsbank N.V. London Branch (the "Security Trustee") acting out of its office at
7 Bishopsgate, London EC2N 3BX as agent and trustee for the Secured Parties

Presentor's name address telephone
number and reference (if any):

Shepherd & Wedderburn WS
Saltire Court
20 Castle Terrace
Edinburgh EH1 2ET
(DX 553049 Edinburgh-18)
amh\kedge\ah100101.wff

For official Use
Charges Section

Post room



CHO C009WN37 0095
COMPANIES HOUSE 13/01/00

Short particulars of all the property charged.

The whole of the Company's undertaking (including uncalled capital) and all its property, assets and rights, whatsoever and wheresoever, present and future.

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

Statement, in the case of a floating charge, as to any restrictions on power to grant further securities and any ranking provision (note 2)

Without the prior written consent of the Security Trustee the Company save as provided for in the Credit Agreement shall not nor shall it agree or purport to:

- (a) create or permit to subsist any Encumbrance whether in any such case ranking in priority to or pari passu with or after the security created by the Guarantee and Floating Charge other than as permitted under the Credit Agreement; or
- (b) sell, discount, factor, transfer, lease, lend or otherwise dispose of, whether by means of one or a number of transactions related or not and whether at one time or over a period of time, the whole or any part of its undertaking or assets except as permitted under the Credit Agreement.

Particulars as to commission, allowance or discount paid (see section 413(3))

Not applicable

Signed _____ Date 13/5/50

On behalf of [~~company~~] [chargee]†
X

† delete as
appropriate

Notes

1. A description of the instrument e.g. "Standard Security" "Floating Charge" etc. should be given. For the date of creation of a charge see section 410(5) of the Act. (Examples - date of signing of an Instrument of Charge; date of recording/registration of a Standard Security; date of intimation of an Assignment.)

2. In the case of a floating charge a statement should be given of (1) the restrictions, if any, on the power of the company to grant further securities ranking in priority to, or pari passu with the floating charge; and/or (2) the provisions, if any, regulating the order in which the floating charge shall rank with any other subsisting or future floating charges or fixed securities over the property which is the subject of the floating charge or any part of it.

3. A certified copy of the instrument, if any, creating or evidencing the charge, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of the creation of the charge. In the case of a charge created out of the United Kingdom comprising property situated outside the U.K., within 21 days after the date on which the copy of the instrument creating it could, in due course of post, and if despatched with due diligence, have been received in the U.K. Certified copies of any other documents relevant to the charge should also be delivered.

4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.

5. The address of the Registrar of Companies is:-
Companies Registration Office,
102 George Street,
Edinburgh EH2 3DJ

SCOTTISH HIGHLAND HOTELS LIMITED
COMPANY NUMBER SC055493

PAPER APART TO THE FOREGOING FORM M410

Definitions used in the foregoing Form M410

"Encumbrance" means any mortgage, charge, assignment by way of security, pledge, hypothecation, lien, right of set-off, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by any Group Company.

"Fees Letter" means the letter dated 23 December 1999 from De Nationale Investeringsbank N.V., London Branch as the Facility Agent to Paramount Hotels Group Limited relating to certain fees payable to De Nationale Investeringsbank N.V., London Branch as Facility Agent, De Nationale Investeringsbank N.V., London Branch as Underwriter and National Westminster Bank Plc and De Nationale Investeringsbank N.V., London Branch as the Co-Arrangers by Paramount Hotels Group Limited in relation to the Senior Credit Agreement, being described on its face as the "Fees Letter".

"Financing Documents" means the Junior Credit Agreement, the Senior Credit Agreement, the Fees Letter, the Interest Rate Protection Agreements and the Security Documents.

"Group" means Paramount Hotels Group Limited and each of its subsidiaries within the meaning of Section 736 of the Companies Act 1985; and **"Group Company"** means any one of them.

"Interest Rate Protection Agreements" means each agreement entered into, confirmed or to be entered into for the purpose of hedging interest rate liabilities pursuant to the Senior Credit Agreement.

"Junior Credit Agreement" means the credit agreement dated 23 December 1999 made between (1) Paramount Hotels Group Limited, Paramount Hotels Holdings Limited, Old Ship Hotel (Brighton) Limited and Paramount Hotels Investments Limited, (2) certain banks, (3) De Nationale Investeringsbank N.V., London Branch as a Co-Arranger, (4) National Westminster Bank Plc as a Co-Arranger, (5) National Westminster Bank Plc as the Facility Agent, (6) De Nationale Investeringsbank N.V., London Branch as an Underwriter, (7) National Westminster Bank Plc as an Underwriter and (8) De Nationale Investeringsbank N.V., London Branch as Security Trustee.

"Secured Parties" means the Junior Creditors (being the Junior Banks, the Facility Agent and the Security Trustee under the Junior Credit Agreement) and the Senior Creditors (being the Senior Banks, the Facility Agent, the Security Trustee, the Issuing Bank and the Overdraft Bank under the Senior Credit Agreement).

"Security Documents" means:

- (a) any Guarantee and Debenture executed by a Group Company pursuant to the Senior Credit Agreement;

- (b) any Legal Charge executed by a Group Company pursuant to the Senior Credit Agreement;
- (c) any Standard Security executed by a Group Company pursuant to the Senior Credit Agreement;
- (d) the Keyman Insurance Assignment pursuant to the Senior Credit Agreement; and
- (e) any guarantee and any document creating security executed and delivered after the date of the Senior Credit Agreement as security for any of the obligations and liabilities of any Group Company under any Financing Document.

"Senior Credit Agreement" means the credit agreement dated 23 December 1999 made between (1) the Paramount Hotels Group Limited, Paramount Hotels Holdings Limited, Old Ship Hotel (Brighton) Limited and Paramount Hotels Investments Limited (together the "Borrowers"); (2) certain banks; (3) National Westminster Bank Plc as a Co-Arranger; (4) De Nationale Investeringsbank N.V., London Branch as a Co-Arranger; (5) De Nationale Investeringsbank N.V., London Branch as Facility Agent; (6) De Nationale Investeringsbank N.V., London Branch as Underwriter; (7) De Nationale Investeringsbank N.V., London Branch as Security Trustee; (8) National Westminster Plc as Issuing Bank and (9) National Westminster Bank Plc as Overdraft Bank.

"Standard Security" means the standard security over the following heritable property:-

1. Old Waverley Hotel, 43 Princes Street, Edinburgh EH2 2BY.
2. The Buchanan Arms Hotel, Drymen, Glasgow G63 0BQ.
3. Marine Highland Hotel, 8 Crosbie Road, Troon.

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A CHARGE**

Company number 55493

I hereby certify that a charge created by

SCOTTISH HIGHLAND HOTELS LIMITED

on 23 DECEMBER 1999

for securing ALL SUMS DUE, OR TO BECOME DUE

in favour of DE NATIONALE INVESTERINGBANK N.V.

was delivered pursuant to section 410 of the Companies Act, 1985,
on 13 JANUARY 2000

Given at Companies House, Edinburgh
17 JANUARY 2000



C O M P A N I E S H O U S E



N.B. Searchers may find it desirable to refer to the documents mentioned in column (2) for more detailed particulars

REGISTER of Charges, Alterations to Charges,

COMPANY: SC055493 CHARGE: 13

(1) Date of Registration	(2) Serial Number of Document on File	(3) Date of Creation of each Charge and Description thereof	(4) Date of the acquisition of the Property	(5) Amount secured by the Charge £	(6) Short Particulars of the Property Charged	(7) Names of the Persons entitled to the Charge
13/01/2000 GUARANTEE		23/12/99 FLOATING CHARGE		ALL SUMS DUE, OR TO BECOME DUE	UNDERTAKING AND ALL PROPERTY AND ASSETS PRESENT AND FUTURE OF THE COMPANY INCLUDING UNCALLED CAPITAL	DE NATIONALE INVESTERINGBANK N.V.

Memoranda of Satisfaction and Appointments etc. of Receivers

N.B. Searchers may find it desirable to refer to the documents mentioned in column (2) for more detailed particulars

COMPANY: SC055493 CHARGE: 13

(8) In the case of a floating charge, a statement of the provisions, if any, prohibiting or restricting the creation by the company of any fixed security or any other floating charge having priority over, or ranking <i>pari passu</i> with the floating charge.	(9) In the case of a floating charge, a statement of the provisions if any regulating the order in which the floating charge shall rank with any other subsisting or future floating charges or fixed securities over the property the subject of the floating charge or any part of it.	(10) Amount or rate per cent of the Commission Allowance or discount	(11) Memoranda of Satisfaction	(12) Receiver		
				Name	Date of Appointment	Date of Ceasing to act
COMPANY ARE EXPRESSLY PROHIBITED FROM CREATING SUBSEQUENT FIXED SECURITY HAVING PRIORITY OVER OR RANKING EQUALLY WITH THE FLOATING CHARGE						