



Registration of a Charge

Company name: **ARCHER PICCADILLY LIMITED**

Company number: **SC074783**



X98DF7NK

Received for Electronic Filing: **01/07/2020**

Details of Charge

Date of creation: **25/06/2020**

Charge code: **SC07 4783 0012**

Persons entitled: **AAREAL BANK AG AS SECURITY AGENT**

Brief description: **FIXED CHARGE OVER LAND KNOWN AS LE MERIDIEN HOTEL,
PICCADILLY, LONDON W1J 0DQ WITH THE TITLE NUMBER NGL474733.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

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

Certified by:

DAVID MORTON



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 74783

Charge code: SC07 4783 0012

The Registrar of Companies for Scotland hereby certifies that a charge dated 25th June 2020 and created by ARCHER PICCADILLY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st July 2020 .

Given at Companies House, Edinburgh on 1st July 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

EXECUTION VERSION

DATED

25 JUNE

2020

Finance Project Number: 30842603

**(1) THE ENTITIES NAMED IN THIS DEED
as Chargors**

- and -

**(2) AAREAL BANK AG
acting as Security Agent**

**SECURITY AGREEMENT
relating to
Project Duchess**



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE

29 June 2020

SIGNED

[Signature]

DLA PIPER UK LLP

DLA Piper UK LLP
160 Aldersgate Street
London
EC1A 4HT
United Kingdom

Tel: +44 (0) 8700 111 111

JCR/JYP/74987/120355/UKM/103208392.7

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	3
2.	CREATION OF SECURITY	6
3.	RESTRICTIONS ON DEALINGS	10
4.	LAND	10
5.	INVESTMENTS	11
6.	ACCOUNTS	12
7.	HEDGING	13
8.	INSURANCES	13
9.	OTHER CONTRACTS	13
10.	WHEN SECURITY BECOMES ENFORCEABLE	14
11.	ENFORCEMENT OF SECURITY	14
12.	RECEIVER	16
13.	POWERS OF RECEIVER	17
14.	APPLICATION OF PROCEEDS	19
15.	DELEGATION	19
16.	FURTHER ASSURANCES	20
17.	POWER OF ATTORNEY	20
18.	MISCELLANEOUS	20
19.	RELEASE	21
20.	COUNTERPARTS	21
21.	GOVERNING LAW	21
22.	JURISDICTION	22
	SCHEDULE 1: THE CHARGORS	23
	SCHEDULE 2: DETAILS OF SECURITY ASSETS	24
	Part 1: Real Property	24
	Part 2: Intellectual Property	24
	SCHEDULE 3: FORMS OF LETTER FOR OCCUPATIONAL TENANTS	25
	Part 1: Notice to Occupational Tenant	25
	Part 2: Acknowledgement of Occupational Tenant	27
	SCHEDULE 4: FORMS OF LETTER FOR ACCOUNT BANK	28
	Part 1: Notice to Account Bank	28
	Part 2: Acknowledgement of Account Bank	30
	SCHEDULE 5: FORMS OF LETTER FOR HEDGE COUNTERPARTY	31
	Part 1: Notice to Hedge Counterparty	31
	Part 2: Acknowledgement of Hedge Counterparty	32

SCHEDULE 6: FORMS OF LETTER FOR INSURERS	33
Part 1: Notice to Insurer	33
Part 2: Acknowledgement of Insurer	35
SCHEDULE 7: FORMS OF LETTER FOR OTHER CONTRACTS	36
Part 1: Notice to Counterparty	36
Part 2: Acknowledgement of Counterparty	38

THIS DEED is made on

25 JUNE 2020

BETWEEN:

- (1) **THE ENTITIES LISTED IN SCHEDULE 1 TO THIS DEED** (the "Chargors"); and
- (2) **AAREAL BANK AG** (the "Security Agent") as security trustee for the Secured Parties (as defined in the Facilities Agreement defined below).

BACKGROUND:

- A Each Chargor enters into this Deed in connection with the Facilities Agreement (as defined below).
- B It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Act" means the Law of Property Act 1925;

"Declared Default" means an Event of Default which is continuing in respect of which any notice has been served by the Agent in accordance with clause 25.14 (*Acceleration*) of the Facilities Agreement.

"Examiner" means an examiner appointed under section 509 of the Irish Companies Act;

"Facilities Agreement" means the facilities agreement dated on or around the date of this Deed between, amongst others, Archer Pascal II B.V. as company and Aareal Bank AG as original lender, agent and security agent;

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist),

(including, without limitation, the intellectual property rights (if any) specified in part 1 of schedule 2 (*Details of Security Assets*));

"Investments" means:

- (a) all shares in any member of the Group (other than itself) owned by each Chargor or held by any nominee or trustee on its behalf; and
- (b) all other shares, stocks, debentures, bonds or other securities or investments owned by each Chargor or held by any nominee or trustee on its behalf;

"Mortgaged Property" means all freehold or leasehold property included in the definition of Security Asset;

"Non-UK Chargor" means a Chargor who is not an English Obligor or a Scottish Obligor;

"Party" means a party to this Deed;

"Receiver" means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed;

"Relevant Contract" means:

- (a) an Asset Management Agreement;
- (b) an Acquisition Document;
- (c) a Hotel Document;
- (d) a Significant Works Project Document; and
- (e) any other document designated as such by the Security Agent and a Chargor;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document;

"Security Asset" means any asset of a Chargor which is, or is expressed to be, subject to any Security created by this Deed;

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

- (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) all Commitments of the Lenders have been cancelled or reduced to zero;

"St. Martins Lease" means the underlease in respect of the London Property dated 10 October 1983 and made between (1) St. Martins Property Corporation Limited and (2) Gleneagles Hotels Public Limited Company (now known as Archer Piccadilly Limited), as varied from time to time; and

"Unblocked Account" means any Account other than a Control Account.

1.2 Construction

- (a) Capitalised terms defined in the Facilities Agreement have the same meaning in this Deed unless expressly defined in this Deed.

- (b) The provisions of clause 1.2 (*Construction*) of the Facilities Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facilities Agreement will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
- (i) any "**rights**" in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset;
 - (ii) any "**share**", "**stock**", "**debenture**", "**bond**" or "**other security**" or "**investment**" includes:
 - (A) any dividend, interest or other distribution paid or payable;
 - (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,in each case in respect of that share, stock, debenture, bond or other security or investment; and
 - (iii) the term "**this Security**" means any Security created by this Deed.
- (d) Any covenant of a Chargor under this Deed (other than any obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) A Declared Default is "**continuing**" if the relevant notice served by the Agent in accordance with clause 25.14 (*Acceleration*) of the Facilities Agreement has not been revoked and an Event of Default is continuing.
- (g) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (h) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any clause which expressly confers rights on it, subject to clause 1.3(b) and the provisions of the Third Parties Act.

2. CREATION OF SECURITY

2.1 General

- (a) Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment of all the Secured Liabilities; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.
- (d) Notwithstanding any other provision of this Deed, this Security excludes any assets which are the subject of a Dutch Receivables Pledge Agreement or Dutch Receivables Pledge (FL) Agreement or any other valid Security (other than a floating charge) granted by a Non-UK Chargor:
 - (i) in favour of the Security Agent under any other Security Document; or
 - (ii) in favour of the relevant Finance Parties under the French Security Documents.

2.2 Land

- (a) Each Chargor charges:
 - (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in part 1 of schedule 2 (*Details of Security Assets*)); and
 - (ii) (to the extent that they are not either the subject of a mortgage under clause 2.2(a)(i) or freehold or leasehold property in Scotland) by way of a

first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.

- (b) A reference in this clause 2 to a mortgage or charge of all estates or interests in any freehold or leasehold property includes:
- (i) all estates or interests in any buildings, fixtures, fittings and fixed plant and machinery on that property now or subsequently owned by it; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of each Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Investments

Each Chargor charges by way of a first fixed charge its interest in all its Investments.

2.4 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under clause 2.2 (*Land*), each Chargor charges by way of a first fixed charge all plant and machinery owned by each Chargor and its interest in any plant or machinery in its possession (unless to do so would result in a breach of any agreement permitted under the Facilities Agreement).

2.5 Credit balances

- (a) Each Chargor charges by way of a first fixed charge all of its rights in respect of any Account other than an Unblocked Account, any amount standing to the credit of any Account other than an Unblocked Account and the debt represented by it.
- (b) Each Chargor charges by way of a first fixed charge all of its rights in respect of each Unblocked Account, any amount standing to the credit of an Unblocked Account and the debt represented by it.
- (c) Each Chargor charges by way of a first fixed charge all of its rights in respect of any account it has with any person other than the accounts referred to in clauses 2.5(a) and 2.5(b), any amount standing to the credit of any such account and the debt represented by it.

2.6 Book debts etc.

Each Chargor charges by way of a first fixed charge:

- (a) all of its Subordinated Debt;
- (b) all of its book and other debts;
- (c) all other moneys due and owing to it; and
- (d) the benefit of all rights in relation to any item under clauses 2.6(a) to 2.6(c).

2.7 Insurances

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest (together, the "Insurance Rights").
- (b) To the extent that they have not been effectively assigned under clause 2.7(a), each Chargor charges by way of a first fixed charge all of its Insurance Rights.

2.8 Intellectual Property

- (a) Each Chargor charges by way of a first fixed charge the Intellectual Property (if any) specified in part 2 of schedule 2 (*Details of Security Assets*)).
- (b) Each Chargor charges by way of a first fixed charge all other Intellectual Property (if any) (not charged by clause 2.8(a)).

2.9 Hedging

Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any Hedging Agreements.

2.10 Other contracts

- (a) Each Chargor:
 - (i) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
 - (A) under each Lease Document;
 - (B) in respect of all Rental Income;
 - (C) under any guarantee of Rental Income contained in or relating to any Lease Document;
 - (D) under each Relevant Contract; and
 - (E) under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
 - (ii) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this clause 2.
- (b) To the extent that they have not been effectively assigned under clause 2.10(a)(i), each Chargor charges by way of a first fixed charge all of its rights listed under clause 2.10(a)(i).

2.11 Miscellaneous

Each Chargor charges by way of first fixed charge:

- (a) its goodwill;
- (b) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (c) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in clause 2.11(b);
- (d) its uncalled capital; and
- (e) the benefit of all rights in relation to any item under clauses 2.11(a) to 2.11(d).

2.12 Floating charge

- (a) Each Chargor charges by way of a first floating charge all of its:
 - (i) assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this clause 2; and
 - (ii) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.
- (b) Except as provided below, the Security Agent may by notice in writing to any Chargor convert the floating charge created by it pursuant to this clause 2.12 into a fixed charge as regards any of that Chargor's assets specified in that notice if:
 - (i) an Event of Default is continuing; or
 - (ii) the Security Agent reasonably considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process.
- (c) The floating charge created by this clause 2.12 may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by a Chargor pursuant to this clause 2.12 will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of that Chargor's assets if an administrator is appointed to it, a petition is presented to appoint an Examiner to it or the Security Agent receives notice of an intention to appoint an administrator to it.
- (e) The floating charge created by this clause 2.12 is a "qualifying floating charge" for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. RESTRICTIONS ON DEALINGS

3.1 Security

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor may create or permit to subsist any Security on any Security Asset.

3.2 Disposals

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor may enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4. LAND

4.1 Notices to tenants

Each Chargor must:

- (a) serve a notice of assignment, substantially in the form of part 1 of schedule 3 (*Notice to Occupational Tenant*):
 - (i) on each tenant of a Material Lease Document on its Mortgaged Property in England and Wales, such notice to be served:
 - (A) within five Business Days following the date of this Deed for all tenants in place on that date; and
 - (B) for any new tenant, as soon as reasonably practicable and in any case within five Business Days following such tenant entering into a Material Lease Document; and
 - (ii) for each other tenant of its Mortgaged Property, as soon as reasonably practicable following the occurrence of a Declared Default that is continuing; and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of part 2 of schedule 3 (*Acknowledgement of Occupational Tenant*).

4.2 Acquisitions

If any Chargor acquires any freehold or leasehold property in England and Wales in accordance with the Facilities Agreement after the date of this Deed it must:

- (a) notify the Security Agent as soon as reasonably practicable and in any event no later than five Business Days following the date of such acquisition;
- (b) as soon as reasonably practicable and in any event no later than five Business Days following a request by the Security Agent and at the cost of the relevant Chargor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in substantially the form of this Deed or any other such form which the Security Agent may reasonably require; and

(c)

- (i) if the title to that freehold or leasehold property is registered at HM Land Registry or required to be so registered, give HM Land Registry written notice of this Security; and
- (ii) if applicable, ensure that this Security is correctly noted against that title in the title register at HM Land Registry.

4.3 Land Registry

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at HM Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [] referred to in the charges register or their conveyancer. (Standard Form P)".

4.4 Deposit of title deeds

Each Chargor must as soon as reasonably practicable following the date of the relevant acquisition procure that all deeds and documents necessary to show good and marketable title to any property referred to in clause 4.2 (*Acquisitions*) are held to the order of the Agent by a firm of solicitors approved by the Security Agent for that purpose.

5. INVESTMENTS

5.1 Deposit

Each Chargor must as soon as reasonably practicable and in any event within five Business Days following the date of this Deed:

- (a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments in England and Wales ("**Relevant Investments**"); and
- (b) execute and deliver to the Security Agent all share transfer certificates (executed in blank and left undated) which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Relevant Investments.

5.2 Calls

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of its Relevant Investments in accordance with the Facilities Agreement.
- (b) If a Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Relevant Investments on behalf of the relevant Chargor.

5.3 Other obligations in respect of Relevant Investments

Each Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Relevant Investments.

5.4 Voting rights

- (a) Before this Security becomes enforceable:
 - (i) the voting rights, powers and other rights in respect of any Relevant Investments of a Chargor will be exercised:
 - (A) by that Chargor; or
 - (B) if exercisable by the Security Agent, in any manner which that Chargor may direct the Security Agent in writing,provided that it must not do so in a manner which (unless permitted to do so under the Finance Documents) would be reasonably expected to materially and adversely affect the interests of the Security Agent and/or the other Secured Parties;
 - (ii) all dividends, distributions or other income paid or payable in relation to any of its Relevant Investments in accordance with the Facilities Agreement must be paid into its General Account.
- (b) While this Security is enforceable, the Security Agent may exercise (in the name of a Chargor and without any further consent or authority on the part of any Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Relevant Investment, any person who is the holder of any Relevant Investment or otherwise.

6. ACCOUNTS

6.1 General

In this clause 6 "**Account Bank**" means a person with whom an Account is maintained under the Facilities Agreement.

6.2 Book debts and receipts

- (a) Each Chargor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an Account if required in accordance with clause 6.2(b)) on trust for the Security Agent.
- (b) Each Chargor must, except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation into an Account in accordance with the Facilities Agreement.

6.3 Notices of charge

Each Chargor must:

- (a) serve a notice of charge, substantially in the form of part 1 of schedule 4 (*Notice to Account Bank*), on each Account Bank in England and Wales, such notice to be served:

- (i) within five Business Days following the date of this Deed for all Accounts of such Chargor held at an Account Bank in England and Wales on the date of this Deed; and
 - (ii) for any Accounts thereafter opened at an Account Bank in England and Wales, as soon as reasonably practicable but in any case within 5 Business Days following the date on which such Account is opened; and
- (b) use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of part 2 of schedule 4 (*Acknowledgement of Account Bank*).

7. HEDGING

Each Chargor must:

- (a) serve a notice of assignment, substantially in the form of part 1 of schedule 5 (*Notice to Hedge Counterparty*), on each counterparty to a Hedging Agreement governed by English law, such notice to be served:
 - (i) within 5 Business Days following the date of this Deed in respect of any Hedging Agreement in place on that date; and
 - (ii) for any Hedging Agreement entered into thereafter, as soon as reasonably practicable but in any case within 5 Business Days following the date such Hedging Agreement is entered into; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of part 2 of schedule 5 (*Acknowledgement of Hedge Counterparty*).

8. INSURANCES

Each Chargor must:

- (a) serve a notice of assignment, substantially in the form of part 1 of schedule 6 (*Notice to Insurer*), on each counterparty to an Insurance governed by English law, such notice to be served:
 - (i) within 5 Business Days following the date of this Deed in respect of any Insurance in place on that date; and
 - (ii) for any Insurance taken out thereafter, as soon as reasonably practicable but in any case within 5 Business Days following the date on which such Insurance is entered into; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of part 2 of schedule 6 (*Acknowledgement of Insurer*).

9. OTHER CONTRACTS

Each Chargor must, at the request of the Security Agent:

- (a) within 5 Business Days following the date of this Deed serve a notice of assignment or charge (as applicable), substantially in the form of part 1 of schedule 7 (*Notice to Counterparty*), on each counterparty to a contract governed by English law listed in clause 2.10(a)(i)(D) (*Other contracts*) other than:
 - (i) a Significant Works Project Document; and
 - (ii) the hotel management agreement dated 25 November 2005 and originally made between (1) Starwood (M) Hotels Inc. and (2) Archer Piccadilly Limited (formerly Le Meridien Piccadilly Limited);
- (b) following the occurrence of a Declared Default that is continuing, serve a notice of assignment or charge (as applicable), substantially in the form of part 1 of schedule 7 (*Notice to Counterparty*), on each counterparty to a Significant Works Project Document governed by English law; and
- (c) use reasonable endeavours to ensure that each such counterparty acknowledges that notice, substantially in the form of part 2 of schedule 7 (*Acknowledgement of Counterparty*).

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Event of Default

This Security will become immediately enforceable if a Declared Default occurs and will remain enforceable while such Declared Default is continuing.

10.2 Discretion

While this Security is enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facilities Agreement and each other Finance Document.

10.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time while this Security is enforceable.

11. ENFORCEMENT OF SECURITY

11.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act, provided that in respect of the St Martins Lease, such right is exercised in accordance with the terms of the St. Martins Lease.

11.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

11.3 Privileges

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

11.4 Protection of third parties

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

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

11.5 Redemption of prior mortgages

While this Security is enforceable, the Security Agent may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.

11.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

11.7 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of any Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right while this Security is enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

- (b) Where any financial collateral is appropriated:
- (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

12. RECEIVER

12.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets of any Chargor if:
 - (i) this Security has become and remains enforceable; or
 - (ii) that Chargor so requests to the Security Agent at any time.
- (b) Any appointment under clause 12.1(a) may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

12.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

12.4 Agent of a Chargor

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason, save in the case of gross negligence or wilful misconduct.

12.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

13. POWERS OF RECEIVER

13.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this clause 13 in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

13.3 Carry on business

A Receiver may carry on any business of a Chargor in any manner he/she thinks fit.

13.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.
- (b) A Receiver may discharge any person appointed by a Chargor.

13.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

13.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Chargor.

13.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender), provided that in respect of the St Martins Lease, such right is exercised in accordance with the terms of the St. Martins Lease.

13.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

13.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

13.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

13.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

13.12 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

13.13 Lending

A Receiver may lend money or advance credit to any person.

13.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

13.15 Other powers

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of any Chargor for any of the above purposes.

14. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facilities Agreement. This clause 14:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

15. DELEGATION

15.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

15.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

15.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

16. FURTHER ASSURANCES

(a) Each Chargor must promptly take whatever action the Security Agent or a Receiver may reasonably require for:

- (i) creating, perfecting or protecting any security over any Security Asset; or
- (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

(b) The action that may be required under clause 16(a) includes:

- (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
- (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may reasonably require, in form and substance satisfactory to the Security Agent (acting reasonably).

17. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of such Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of such Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause 17.

18. MISCELLANEOUS

18.1 Continuing Security

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

18.2 Tacking

Each Lender must perform its obligations under the Facilities Agreement (including any obligation to make available further advances).

18.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with any Chargor.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

18.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account a Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become and remains enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

18.5 Notice to each Chargor

This Deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any Transaction Obligor and contained in this Deed or any other Security Document.

19. RELEASE

At the end of the Security Period, the Finance Parties must, at the request and cost of the Chargors, take whatever action is necessary to release and/or re-assign its Security Assets from this Security.

20. 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.

21. GOVERNING LAW

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

22. JURISDICTION

The provisions of clause 48.1 (*Jurisdiction*) of the Facilities Agreement apply to this Deed as though they were set out in full in this Deed except that references to any Finance Document will be construed as references to this Deed.

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

SCHEDULE 1: THE CHARGORS

Name of Chargor	Original Jurisdiction	Registration number (or equivalent, if any)
2012 ParAms B.V.	The Netherlands	34218760
Adamar Hotels Netherlands B.V.	The Netherlands	33226254
Archer Ireland B.V.	The Netherlands	75098296
Archer Pascal II B.V.	The Netherlands	55928412
Archer Spain II B.V.	The Netherlands	76707598
Archer Sweden B.V.	The Netherlands	58186808
Archer UK II B.V.	The Netherlands	50426192
Roland B.V.	The Netherlands	33229312
Schiphol Hotel Holding B.V.	The Netherlands	54722802
Schiphol Hotel Operational Company B.V.	The Netherlands	54722950
Schiphol Hotel Property Company B.V.	The Netherlands	54723094
Selkirk House (MH) Limited	England and Wales	01809228
W2005/Etoile de Mer SAS	France	489 368 555 RCS Paris
Earlsfort Centre Hotel Proprietors Limited	Ireland	126939
Archer Piccadilly Limited	Scotland	SC074783
Förvaltningsaktiebolaget Tegelbacken	Sweden	556118-3319

SCHEDULE 2: DETAILS OF SECURITY ASSETS

Part 1: Real Property

Registered land			
Chargor	Address	Administrative area	Title number
Archer Piccadilly Limited (SC074783)	Le Meridien Hotel, Piccadilly, London W1J 0DQ	Westminster	NGL474733 (leasehold)

Part 2: Intellectual Property

Part 2A - Trade marks				
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Classes	Mark text
nil				

Part 2B - Domain Names	
Proprietor	Domain name
nil	

SCHEDULE 3: FORMS OF LETTER FOR OCCUPATIONAL TENANTS

Part 1: Notice to Occupational Tenant

To: [Occupational tenant]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

Re: [Property address]

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

We refer to the lease dated [◆] and made between [◆] and [◆] (the "Lease").

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (subject to a proviso for re-assignment on redemption) to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "Security Agent") all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us as landlord under the Lease; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease.

We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to pay all rent and all other moneys payable by you under the Lease to our account [with the Security Agent] at [◆], Account No. [◆], Sort Code [◆] (the "Operating Account").

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at *[address]* with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

[Chargor]

Part 2: Acknowledgement of Occupational Tenant

To: [Security Agent] (as "Security Agent")

Attention: [◆]

[Date]

Dear Sirs,

Re: [Property address]

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [◆] (the "Notice") in relation to the Lease (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received any notice of any prior security over the Lease or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease;
- (c) must pay all rent and all other moneys payable by us under the Lease into the Operating Account (as defined in the Notice); and
- (d) must continue to pay those moneys into the Operating Account (as defined in the Notice) until we receive your written instructions to the contrary.

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

Yours faithfully,

.....

For

[Occupational tenant]

SCHEDULE 4: FORMS OF LETTER FOR ACCOUNT BANK

Part 1: Notice to Account Bank

To: [Account Bank]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "Security Agent") all our rights in respect of any account, and any amount standing to the credit of any account, maintained by us with you (the "Accounts").

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
- (b) comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent;
- (c) hold all sums standing to the credit of any Account to the order of the Security Agent; and
- (d) in respect of any Account other than:
 - (i) our account with [◆] (account number [◆] sort code [◆]); and
 - (ii) our account with [◆] (account number [◆] sort code [◆]),

(each an "Unblocked Account"), pay or release any sum standing to the credit of any such Account in accordance with the written instructions of the Security Agent.

We are not permitted to withdraw any amount from any Account other than an Unblocked Account without the prior written consent of the Security Agent.

In respect of an Unblocked Account, we are permitted to withdraw any amount from an Unblocked Account for any purpose unless and until you receive a notice from the Security Agent to the contrary stating that we are no longer permitted to withdraw any amount from that Unblocked Account without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from that Unblocked Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

[Chargor]

Part 2: Acknowledgement of Account Bank

To: [Security Agent] (as "Security Agent")

Copy: [Chargor]

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [◆] (the "Notice") of a charge upon the terms of the Security Agreement over all the rights of the Chargor to any amount standing to the credit of any of the Chargor's accounts with us (the "Accounts").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, any Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account;
- (d) will not permit any amount to be withdrawn from any Account other than an Unblocked Account (as defined in the Notice) without your prior written consent; and
- (e) will comply with any notice we may receive from the Security Agent in respect of an Unblocked Account.

The Accounts maintained with us are:

[Specify accounts and account numbers]

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

Yours faithfully,

.....

(Authorised signatory)

[Account Bank]

SCHEDULE 5: FORMS OF LETTER FOR HEDGE COUNTERPARTY

Part 1: Notice to Hedge Counterparty

To: *[Hedge Counterparty]*

Copy: *[Security Agent]* (as Security Agent as defined below)

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

This letter constitutes notice to you that under the Security Agreement we assigned absolutely, subject to a proviso for re-assignment on redemption, to *[Security Agent]* (as trustee for the Secured Parties as referred to in the Security Agreement, the "Security Agent") all our rights under any hedging agreements between you and us (the "Hedging Agreements").

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Hedging Agreements which the Security Agent may request from you; and
- (b) pay any sum payable by you under the Hedging Agreements to our account with *[the Security Agent]* at [◆], account number [◆], sort code [◆].

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at *[address]* with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

Part 2: Acknowledgement of Hedge Counterparty

To: [Security Agent] (as "Security Agent")

Copy: [Chargor]

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [◆] (the "Notice") of an assignment upon the terms of the Security Agreement of all the Chargor's rights under the Hedging Agreements (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, the Hedging Agreements;
- (c) must pay any amount payable by us under the Hedging Agreements to the Chargor's account with you at [◆], Sort Code [◆], Account No. [◆]; and
- (d) must accept your instructions in relation to the Chargor's rights under the Hedging Agreements.

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

Yours faithfully,

.....
(Authorised signatory)

[Hedge Counterparty]]

SCHEDULE 6: FORMS OF LETTER FOR INSURERS

Part 1: Notice to Insurer

To: **[Insurer]**

Copy: **[Security Agent]** (as Security Agent as defined below)

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely, subject to a proviso for re-assignment on redemption, to **[Security Agent]** (as trustee for the Secured Parties as referred to in the Security Agreement, the "Security Agent") all our rights in respect of **[insert details of contract of insurance]** (the "Insurance").

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at *[address]* with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

Part 2: Acknowledgement of Insurer

To: [Security Agent] (as "Security Agent")

Copy: [Chargor]

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND
[SECURITY AGENT] (THE "SECURITY AGREEMENT")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [◆] (the
"Notice") of an assignment on the terms of the Security Agreement of all the Chargor's rights in
respect of [insert details of the contract of insurance] (the "Insurance").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Insurer]

SCHEDULE 7: FORMS OF LETTER FOR OTHER CONTRACTS

Part 1: Notice to Counterparty

To: **[Contract Counterparty]**

Copy: **[Security Agent]** (as Security Agent as defined below)

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

This letter constitutes notice to you that under the Security Agreement we have [assigned absolutely, subject to a proviso for re-assignment on redemption,]/[charged by way of a first fixed charge] to **[Security Agent]** (as trustee for the Secured Parties as referred to in the Security Agreement, the "Security Agent") all our rights in respect of **[insert details of contract]** (the "Contract").

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

[We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.]¹

[The security under the Security Agreement has become enforceable. All the rights, powers and discretions in respect of the Contract will be exercisable by, and all notices must be given to, the Security Agent or as it directs.]²

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

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

¹ To be included if contract is not a Significant Works Project Document.

² To be included if contract is a Significant Works Project Document.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at *[address]* with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

Part 2: Acknowledgement of Counterparty

To: [Security Agent] (as "Security Agent")

Copy: [Chargor]

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED [◆] BETWEEN [CHARGOR] AND [SECURITY AGENT] (THE "SECURITY AGREEMENT")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [◆] (the "Notice") of [an assignment]/[fixed charge] on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the contract] (the "Contract").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Contract as directed in the Notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

EXECUTION PAGES

THE CHARGORS

Executed as a deed, but not delivered until the)
first date specified on page 1, by 2012)
PARAMS B.V., a company incorporated in)
THE NETHERLANDS, acting by)
MATTHEW TANNER, who, in accordance)
with the laws of that territory, is acting under)
the authority of the company:)

) Signature in the name 2012 PARAMS B.V.
) of the company

Signature of
authorised signatory



Place LONDON, UK

Executed as a deed, but not delivered until the)
first date specified on page 1, by ADAMAR)
HOTELS NETHERLANDS B.V., a company)
incorporated in THE NETHERLANDS,)
acting by MATTHEW TANNER, who, in)
accordance with the laws of that territory, is)
acting under the authority of the company:)

) Signature in the name ADAMAR HOTELS
) of the company NETHERLANDS B.V.

Signature of
authorised signatory



Place LONDON, UK

)
)
)
)
)
)
)
)

)

LONDON, UK

— — — — —

3



LONDON, UK

~~~~~

—



LONDON, UK

) ) ) ) ) ) ) )

**Signature of  
authorised signatory**



)  
)  
)  
)  
)  
)  
)  
)

**Signature of  
authorised signatory**

42

)  
)  
)  
)  
)  
)  
)  
)

**Signature of  
authorised signatory**

[REDACTED]

Place LONDON, UK

)  
)  
)  
)  
)  
)  
)  
)  
)

**Signature of  
authorised signatory**



Place LONDON, UK

)  
)  
)  
)  
)  
)  
)

**SCHIPHOL HOTEL  
OPERATIONAL  
COMPANY B.V.**



Place LONDON, UK

1  
 2  
 3  
 4  
 5  
 6  
 7  
 8  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25  
 26  
 27  
 28  
 29  
 30  
 31  
 32  
 33  
 34  
 35  
 36  
 37  
 38  
 39  
 40  
 41  
 42  
 43  
 44  
 45  
 46  
 47  
 48  
 49  
 50  
 51  
 52  
 53  
 54  
 55  
 56  
 57  
 58  
 59  
 60  
 61  
 62  
 63  
 64  
 65  
 66  
 67  
 68  
 69  
 70  
 71  
 72  
 73  
 74  
 75  
 76  
 77  
 78  
 79  
 80  
 81  
 82  
 83  
 84  
 85  
 86  
 87  
 88  
 89  
 90  
 91  
 92  
 93  
 94  
 95  
 96  
 97  
 98  
 99  
 100  
 101  
 102  
 103  
 104  
 105  
 106  
 107  
 108  
 109  
 110  
 111  
 112  
 113  
 114  
 115  
 116  
 117  
 118  
 119  
 120  
 121  
 122  
 123  
 124  
 125  
 126  
 127  
 128  
 129  
 130  
 131  
 132  
 133  
 134  
 135  
 136  
 137  
 138  
 139  
 140  
 141  
 142  
 143  
 144  
 145  
 146  
 147  
 148  
 149  
 150  
 151  
 152  
 153  
 154  
 155  
 156  
 157  
 158  
 159  
 160  
 161  
 162  
 163  
 164  
 165  
 166  
 167  
 168  
 169  
 170  
 171  
 172  
 173  
 174  
 175  
 176  
 177  
 178  
 179  
 180  
 181  
 182  
 183  
 184  
 185  
 186  
 187  
 188  
 189  
 190  
 191  
 192  
 193  
 194  
 195  
 196  
 197  
 198  
 199  
 200  
 201  
 202  
 203  
 204  
 205  
 206  
 207  
 208  
 209  
 210  
 211  
 212  
 213  
 214  
 215  
 216  
 217  
 218  
 219  
 220  
 221  
 222  
 223  
 224  
 225  
 226  
 227  
 228  
 229  
 230  
 231  
 232  
 233  
 234  
 235  
 236  
 237  
 238  
 239  
 240  
 241  
 242  
 243  
 244  
 245  
 246  
 247  
 248  
 249  
 250  
 251  
 252  
 253  
 254  
 255  
 256  
 257  
 258  
 259  
 260  
 261  
 262  
 263  
 264  
 265  
 266  
 267  
 268  
 269  
 270  
 271  
 272  
 273  
 274  
 275  
 276  
 277  
 278  
 279  
 280  
 281  
 282  
 283  
 284  
 285  
 286  
 287  
 288  
 289  
 290  
 291  
 292  
 293  
 294  
 295  
 296  
 297  
 298  
 299  
 300  
 301  
 302  
 303  
 304  
 305  
 306  
 307  
 308  
 309  
 310  
 311  
 312  
 313  
 314  
 315  
 316  
 317  
 318  
 319  
 320  
 321  
 322  
 323  
 324  
 325  
 326  
 327  
 328  
 329  
 330  
 331  
 332  
 333  
 334  
 335  
 336  
 337  
 338  
 339  
 340  
 341  
 342  
 343  
 344  
 345  
 346  
 347  
 348  
 349  
 350  
 351  
 352  
 353  
 354  
 355  
 356  
 357  
 358  
 359  
 360  
 361  
 362  
 363  
 364  
 365  
 366  
 367  
 368  
 369  
 370  
 371  
 372  
 373  
 374  
 375  
 376  
 377  
 378  
 379  
 380  
 381  
 382  
 383  
 384  
 385  
 386  
 387  
 388  
 389  
 390  
 391  
 392  
 393  
 394  
 395  
 396  
 397  
 398  
 399  
 400  
 401  
 402  
 403  
 404  
 405  
 406  
 407  
 408  
 409  
 410  
 411  
 412  
 413  
 414  
 415  
 416  
 417  
 418  
 419  
 420  
 421  
 422  
 423  
 424  
 425  
 426  
 427  
 428  
 429  
 430  
 431  
 432  
 433  
 434  
 435  
 436  
 437  
 438  
 439  
 440  
 441  
 442  
 443  
 444  
 445  
 446  
 447  
 448  
 449  
 450  
 451  
 452  
 453  
 454  
 455  
 456  
 457  
 458  
 459  
 460  
 461  
 462  
 463  
 464  
 465  
 466  
 467  
 468  
 469  
 470  
 471  
 472  
 473  
 474  
 475  
 476  
 477  
 478  
 479  
 480  
 481  
 482  
 483  
 484  
 485  
 486  
 487  
 488  
 489  
 490  
 491  
 492  
 493  
 494  
 495  
 496  
 497  
 498  
 499  
 500  
 501  
 502  
 503  
 504  
 505  
 506  
 507  
 508  
 509  
 510  
 511  
 512  
 513  
 514  
 515  
 516  
 517  
 518  
 519  
 520  
 521  
 522  
 523  
 524  
 525

**SCHIPHOL HOTEL  
PROPERTY  
COMPANY B.V.**

Place LONDON, UK



Executed as a deed, but not delivered until the )  
first date specified on page 1, by **SELKIRK** )  
**HOUSE (MH) LIMITED** by a director in the )  
presence of a witness: )  
)  
)

Signature



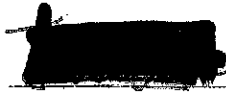
Name (block capitals)

MATTHEW TANNER  
Director

Place

LONDON, UK

Witness signature



Witness name  
(block capitals)

JIAKI CHEN

Witness address

20 Denbridge Road,  
Bromley, BR1 2AG

Executed as a deed, but not delivered until the )  
first date specified on page 1, by )  
**W2005/ETOILE DE MER SAS**, a company )  
incorporated in **FRANCE**, acting by )  
MATTHEW TANNER, who, in accordance )  
with the laws of that territory, are acting under )  
the authority of the company: )

) Signature in the name **W2005/ETOILE DE**  
) of the company **MER SAS**

Signature of  
authorised signatory



Place LONDON, UK

**SIGNED AND DELIVERED**  
for and on behalf of and as the deed of  
**EARLSFORT CENTRE HOTEL**  
**PROPRIETORS LIMITED**  
by its lawfully appointed attorney

  
Signature of Attorney

in the presence of:



(Witness' Signature)

JIAOZ CHEN

(Witness' Name)

20 Denbridge Road, Bromley, BR1 2AG

(Witness' Address)

Investment

(Witness' Occupation)

Executed as a deed, but not delivered until the )  
first date specified on page 1, by **ARCHER** )  
**PICCADILLY LIMITED** by a director in the )  
presence of a witness: )  
)  
)

Signature



Name (block capitals)

MATTHEW TANNER  
Director

Place

LONDON, UK

Witness signature



Witness name  
(block capitals)

JIAKI CHEN

Witness address

70 Denbidge Road,

Bromley, BR1 2NG

Executed as a deed, but not delivered until the )  
first date specified on page 1, by )  
**FÖRVALTNINGSAKTIEBOLAGET** )  
**TEGELBACKEN**, a company incorporated in )  
**SWEDEN**, acting by )  
MATTHEW TANNER, who, in accordance )  
with the laws of that territory, is acting under )  
the authority of the company: )

) Signature in the name **FÖRVALTNINGSAK**  
of the company **TIEBOLAGET**  
**TEGELBACKEN**

Signature of  
authorised signatory



Place LONDON, UK

**THE SECURITY AGENT**

**AAREAL BANK AG**

---

By:

---

By: