



**Registration of a Charge**

Company Name: **CARDRONA HOTEL, GOLF & COUNTRY CLUB LIMITED**

Company Number: **SC187420**



Received for filing in Electronic Format on the: **11/05/2023**

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**Details of Charge**

Date of creation: **05/05/2023**

Charge code: **SC18 7420 0019**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description: **TITLE NUMBERS: WK365770, AV187446, AV96561, BK173008, BK367308, BK367309, BK367310, BK367311, BK317023, BK394321, CU164398, CU164397, CU152326, ND108477, ND78847, HP298298, SL159134, BEING THE LANDS MORE PARTICULARLY DESCRIBED IN THE ATTACHED SECURITY AGREEMENT. FOR FURTHER DETAILS PLEASE SEE SCHEDULE 2 OF THE SECURITY AGREEMENT.**

**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: 187420

Charge code: SC18 7420 0019

The Registrar of Companies for Scotland hereby certifies that a charge dated 5th May 2023 and created by CARDRONA HOTEL, GOLF & COUNTRY CLUB LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th May 2023 .

Given at Companies House, Edinburgh on 11th May 2023

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED

5 May

2023

(1) THE CHARGORS

(2) THE ROYAL BANK OF SCOTLAND PLC  
(as Security Agent)

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DEBENTURE

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This Deed is subject to the terms of the Intercreditor Agreement



Pinsent Masons

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THIS DEED is dated 5 May 2023 and is made

**BETWEEN:-**

- (1) **THE COMPANIES LISTED 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) **THE ROYAL BANK OF SCOTLAND PLC** as security trustee for the Secured Parties (as defined in the Facilities Agreement defined below) (the "**Security Agent**").

**BACKGROUND:-**

- (A) The Chargors enter 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 as follows:-**

**1. DEFINITIONS AND INTERPRETATIONS**

**1.1 Definitions**

**In this Deed:-**

<b>"Accounts"</b>	means any accounts 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 any such account, including, without limitation, the accounts specified in Schedule 3 ( <i>Details of Accounts</i> ) or specified as an "Account" in any Deed of Accession
<b>"Act"</b>	means the Law of Property Act 1925
<b>"Blocked Account"</b>	means:- <ol style="list-style-type: none"><li>(a) the Accounts (if any) specified in Part 2 (<i>Blocked Accounts</i>) of Schedule 3 (<i>Details of Accounts</i>) or specified as a "Blocked Account" in any Deed of Accession; and</li><li>(b) any other Account agreed by the Security Agent or Agent and the Borrower in writing to be a Blocked Account</li></ol>
<b>"Borrower"</b>	means Macdonald Hotels Limited, a company registered in Scotland with company number (SC247423) having its registered office at Whiteside House, Whiteside Industrial Estate, Bathgate, West Lothian, EH48 2RX
<b>"BoS Accounts"</b>	means any accounts owned, operated, held or maintained at Bank of Scotland plc as at the date of this Deed which will be closed in accordance with Clause 17.1.3 ( <i>Designation of Accounts</i> ) of the Facilities Agreement

<b>"Core Obligor"</b>	means each of the companies listed in Part 2 of Schedule 1 ( <i>Chargors</i> )
<b>"Core Property"</b>	means:- <ul style="list-style-type: none"> <li>(a) Property; or</li> <li>(b) any freehold or leasehold property in England and Wales designated as a "Core Property" in accordance with the Facilities Agreement</li> </ul>
<b>"Deed of Accession"</b>	means a deed substantially in the form of Schedule 8 ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor
<b>"English Chargor"</b>	means a company listed in part 3 of Schedule 1 ( <i>Chargors</i> ) which is incorporated in England and Wales
<b>"Event of Default"</b>	has the meaning given to that term in the Facilities Agreement
<b>"Facilities Agreement"</b>	means the £56,300,000 term and revolving facilities agreement dated on or around the date of this Deed entered into between (among others) the Chargors and the Security Agent as amended, supplemented, novated, extended or restated from time to time
<b>"Holdco Obligor"</b>	means the company listed in Part 1 of Schedule 1 ( <i>Chargors</i> )
<b>"Intellectual Property"</b>	means any of the following:- <ul style="list-style-type: none"> <li>(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;</li> <li>(b) any brand and trade names, domain names, invention, copyright, design right or performance right;</li> <li>(c) any trade secrets, database right, know-how and confidential information; and</li> <li>(d) the benefit of any agreement or licence for the use of any such right,</li> </ul> <p>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</p>
<b>"Intercreditor Agreement"</b>	means the intercreditor agreement dated on or around the date of this deed entered into between (among others) the Security Agent and the Borrower as amended, supplemented, novated, extended or restated from time to time



<b>"Investments"</b>	means:- <ul style="list-style-type: none"> <li>(a) all shares in the capital of any Core Obligor (excluding the Borrower) located in England &amp; Wales owned by the Holdco Obligor or held by any nominee or trustee on behalf of the Holdco Obligor at any time; and</li> <li>(b) all other shares, stocks, debentures, bonds or other securities or investments owned by a Core Obligor (excluding the Borrower) or held by any nominee or trustee on its behalf</li> </ul>
<b>"Party"</b>	means a party to this Deed
<b>"Plant and Equipment"</b>	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of any kind and the benefit of all licences, warranties and contracts relating to the same
<b>"Property"</b>	means each property specified in Schedule 2 (Properties)
<b>"Receiver"</b>	means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed
<b>"Related Rights"</b>	means in relation to any Secured Asset:- <ul style="list-style-type: none"> <li>(a) the proceeds of sale of all or any part of that Secured Asset;</li> <li>(b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;</li> <li>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</li> </ul> any moneys and proceeds or income paid or payable in respect of that Secured Asset
<b>"Relevant Contract"</b>	means any document to which a Chargor is a party designated as such by the Security Agent and the Borrower
<b>"Scottish Assets"</b>	means all and any property, undertaking and/or assets (past, present or future) of a Chargor located in Scotland and/or otherwise governed by Scots law
<b>"Secured Assets"</b>	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 Security Agent by or pursuant to this Deed
<b>"Secured Liabilities"</b>	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 Obligor to any Secured Party under each Finance Document

**"Security Period"**

means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

**1.2 Construction**

1.2.1 Capitalised terms defined in the Facilities Agreement have the same meaning in this Deed unless expressly defined in this Deed.

1.2.2 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.

1.2.3 Unless a contrary indication appears, a reference in this Deed to:-

(a) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;

(b) any **rights** in respect of an asset includes:-

(i) all amounts and proceeds paid or payable;

(ii) all rights to make any demand or claim; and

(iii) all powers, remedies, causes of action, security, guarantees and indemnities,

in each case in respect of or derived from that asset;

(c) any **share, stock, debenture, bond or other security or investment** includes:-

(i) any dividend, interest or other distribution paid or payable;

(ii) 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

(d) the term **this Security** means any Security created by this Deed.

1.2.4 Any covenant of any Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

1.2.5 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.

1.2.6 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.

- 1.2.7 Unless the context otherwise requires, a reference to a Secured Asset includes the proceeds of any disposal of that Secured Asset.

**1.3 Effect as a deed**

This Secured Deed shall take effect as a deed even if it is executed under hand on behalf of the Security Agent.

**1.4 Third party rights**

- 1.4.1 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.

- 1.4.2 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.

- 1.4.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph 1.4.2 above and the provisions of the Third Parties Act.

**1.5 Nominees**

If the Security Agent causes or requires shares or any other asset to be registered in the name of its nominee, any reference in this Deed to the Security Agent shall, if the context permits or requires, be construed as a reference to the Security Agent and its nominee.

**1.6 Intercreditor Agreement**

- 1.6.1 This Deed is subject to the terms of the Facilities Agreement and Intercreditor Agreement. In the event of a conflict or any inconsistency between the terms of:

(a) this deed and the Intercreditor Agreement, the Intercreditor Agreement will prevail; and

(b) this deed and the Facilities Agreement, the Facilities Agreement shall prevail.

**2. CREATION OF SECURITY**

**2.1 General**

- 2.1.1 Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

- 2.1.2 All the security created under this Deed:-

(a) is created in favour of the Security Agent;

(b) is created over present and future assets of each Chargor;

(c) is security for the payment of all the Secured Liabilities; and

(d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

- 2.1.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

## **2.2 Land**

- 2.2.1 Each Core Obligor (other than the Borrower) charges by way of a first legal mortgage all Property owned by it.
- 2.2.2 (to the extent that they are not either the subject of a mortgage under clause 2.2.1 above or any property located in Scotland) each Core Obligor (other than the Borrower) by way of a first fixed charge charges all estates or interests in any Core Property now or subsequently owned by it.
- 2.2.3 A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:-
- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
  - (b) the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

## **2.3 Investments**

- 2.3.1 The Holdco Obligor:-
- (a) charges by way of a first fixed charge all shares in any English Chargor owned by it or held by any nominee or trustee on its behalf; and
  - (b) (to the extent that they are not the subject of a mortgage under paragraph (a) above) charges by way of a first fixed charge its interest in all its Investments and all Related Rights under or in connection with the Investments.
- 2.3.2 Each Core Obligor charges by way of a first fixed charge its interest in all its Investments and all Related Rights under or in connection with the Investments.

## **2.4 Intellectual Property**

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

## **2.5 Plant and Equipment**

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (Land), in respect of the Core Property, each Core Obligor (other than the Borrower) charges by way of a first fixed charge all Plant and Equipment owned by the relevant Chargor and all Related Rights under or in connection with the Plant and Equipment.

## **2.6 Credit balances**

- 2.6.1 The Borrower charges by way of a first fixed charge all of its rights in respect of the Blocked Account, any amount standing to the credit of such Blocked Account and the debt represented by it.
- 2.6.2 Each Core Obligor charges by way of a first fixed charge all of its rights in respect of the Core Obligor Current Account, any amount standing to the credit of such Account and the debt represented by it.
- 2.6.3 The Holdco Obligor charges by way of a first fixed charge all of its rights in respect of the Management General Account, any amount standing to the credit of such Account and the debt represented by it.

- 2.6.4 Each Core Obligor charges by way of a first fixed charge all of its rights in respect of any account it has with any person (other than (1) the accounts referred to in Clauses 2.6.1 and 2.6.2 and (2) the BoS Accounts), any amount standing to the credit of any such account and the debt represented by it.

**2.7 Book debts etc.**

Each Core Obligor charges by way of a first fixed charge:-

- 2.7.1 all of its book and other debts;
- 2.7.2 all other moneys due and owing to it; and
- 2.7.3 the benefit of all rights in relation to any item under paragraphs 2.7.1 to 2.7.2 above.

**2.8 Insurances**

- 2.8.1 Each Core Obligor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance, in respect of the Core Properties, taken out by it or on its behalf or in which it has an interest but excluding such policies of insurance to the extent that they are in respect of third party liabilities or employees (together, the **Insurance Rights**).
- 2.8.2 to the extent that they have not been effectively assigned under paragraph 2.8.1 above, each Core Obligor charges by way of a first fixed charge all of its Insurance Rights, and all Related Rights in respect of the Core Properties.

**2.9 Other contracts**

- 2.9.1 Each Core Obligor (other than the Borrower) assigns absolutely, subject to a proviso for re-assignment on the irrevocable discharge in full of the Secured Liabilities, all its rights, title and interest from time to time under each Relevant Contract;
- 2.9.2 Each Chargor (other than the Borrower) assigns absolutely, subject to a proviso for re-assignment on the irrevocable discharge in full of the Secured Liabilities, all its rights, title and interest from time to time under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
- 2.9.3 Each Core Obligor (other than the Borrower), 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.
- 2.9.4 To the extent that they have not been effectively assigned under Clause 2.9.1 above, each Core Obligor (other than the Borrower) charges by way of a first fixed charge all of its rights listed under Clause 2.9.1 above.
- 2.9.5 To the extent that they have not been effectively assigned under Clause 2.9.2, the Holdco Obligor and each Core Obligor (excluding the Borrower) charges by way of a first fixed charge all of its rights listed under Clause 2.9.2 above.

**2.10 Miscellaneous**

Each Core Obligor charges by way of first fixed charge:-

- 2.10.1 its present and future goodwill;
- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Secured Asset;

- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph 2.10.2 above;
- 2.10.4 its uncalled capital; and
- 2.10.5 the benefit of all rights in relation to any item under paragraphs 2.10.1 to 2.10.4 above.

## 2.11 **Floating charge**

- 2.11.1 Each English Chargor, charges by way of a first floating charge:-
  - (a) all of its present and future business, undertaking and assets wherever situated, which are for any reason otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2; and
  - (b) all of its Scottish Assets whether or not so effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.11 (*Floating Charge*).
- 2.11.2 Except as provided below, the Security Agent may by notice to an English Chargor convert the floating charge created by this Clause 2.11 (Floating charge) into a fixed charge as regards any of that English Chargor's assets specified in that notice if:
  - (a) an Event of Default has occurred and is continuing; or
  - (b) the Security Agent considers that any Secured Assets are in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 2.11.3 Subject to paragraph 2.11.4 below, the floating charge created by this Clause 2.11 (Floating charge) may not be converted into a fixed charge solely by reason of:-
  - (a) the obtaining of a moratorium; or
  - (b) anything done with a view to obtaining a moratorium,
 under Part A1 of the Insolvency Act 1986.
- 2.11.4 Paragraph 2.11.3 above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- 2.11.5 The floating charge created by this Clause 2.11 (Floating charge) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the relevant English Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
- 2.11.6 Any charge that has crystallised under Clause 2.11.2 or Clause 2.11.5 may by notice in writing (given at any time by the Security Agent), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.
- 2.11.7 The floating charge created by this Clause 2.11 (Floating charge) is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 2.11.8 Clause 2.11.2 and clause 2.11.5 will not apply to Scottish Assets nor the extent that a receiver would not be capable of exercising their powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such conversion by notice or automatic conversion.

### **3. RESTRICTIONS ON DEALINGS**

#### **3.1 Security**

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

#### **3.2 Disposals**

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor can 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 Secured Asset.

#### **3.3 Ranking**

Subject to Section 464(2) of the Companies Act 1985, the floating charge created pursuant to this Deed shall rank in priority to any Security created by any Chargor after its execution of this Deed except any fixed security in favour of the Security Agent.

### **4. LAND**

#### **4.1 Notices to tenants**

After this Security has become enforceable, each Core Obligor (excluding the Borrower) must, in respect of any Core Property:-

4.1.1 promptly serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (*Forms of Letter for Occupational Tenants*), on each tenant of the Property; and

4.1.2 use its reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (*Forms of Letter for Occupational Tenants*).

#### **4.2 Acquisitions**

If a Core Obligor (other than the Borrower) acquires a Core Property, in accordance with the Facilities Agreement, after the date of this Deed, it must:-

4.2.1 notify the Security Agent immediately;

4.2.2 immediately on request by the Security Agent and at the cost of the relevant Core Obligor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in any form which the Security Agent may require; and

4.2.3 (a) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and

(b) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

#### **4.3 Land Registry**

Each Core Obligor (other than the Borrower) consents to a restriction in the following terms being entered into on the Register of Title relating to any Core Property registered at the 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 Core Obligor (other than the Borrower) must, in respect of any Core Property, immediately:

- 4.4.1 deposit with the Security Agent all deeds and documents necessary to show good and marketable title to any property referred to in Clause 4.2 (Acquisitions) (the **Title Documents**);
- 4.4.2 procure that the Title Documents are held at the applicable Land Registry to the order of the Security Agent; or
- 4.4.3 procure that the Title Documents 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 (other than the Borrower) must 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 Investments) and upon the acquisition by each Chargor (other than the Borrower) of any interest in any Investments immediately:-

- 5.1.1 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; and
- 5.1.2 execute and deliver to the Security Agent all share transfers and other documents 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 Investments,

provided that in relation to the acquisition of any share for which relevant taxes apply, the period will start from the date that the stamped stock transfer forms are received back from the relevant office.

#### **5.2 Calls**

- 5.2.1 Each Chargor (other than the Borrower) must pay all calls or other payments due and payable in respect of any of its Investments in accordance with the Facilities Agreement.
- 5.2.2 If a Chargor (other than the Borrower) fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Investments on behalf of that Chargor. That Chargor (other than the Borrower) must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 5.2 (Calls).

#### **5.3 Other obligations in respect of Investments**

- 5.3.1 Each Chargor (other than the Borrower) must promptly send a copy to the Security Agent of, and comply with all requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of any Chargor (other than the Borrower).
- 5.3.2 Each Chargor (other than the Borrower) must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- 5.3.3 The Security Agent is not obliged to:-
  - (a) perform any obligation of a Chargor;



- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or any Chargor; or
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment of a Chargor (other than the Borrower).

#### 5.4 Voting rights

##### 5.4.1 Before this Security becomes enforceable:-

- (a) the voting rights, powers and other rights in respect of the Investments of a Chargor (other than the Borrower) will be exercised:-
  - (i) by that Chargor; or
  - (ii) if exercisable by the Security Agent, in any manner which that Chargor may direct the Security Agent in writing; and
- (b) all dividends, distributions or other income paid or payable in relation to any Chargor's Investments in accordance with the Facilities Agreement must be paid into the General Account.

##### 5.4.2 Each Chargor (other than the Borrower) must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of the Chargor's Investments as permitted by this Deed on the direction of the relevant Chargor.

##### 5.4.3 Subject to paragraph 5.4.4 below, after this Security has become enforceable, the Security Agent may exercise (in the name of any Chargor (other than the Borrower) and without any further consent or authority on the part of that Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

##### 5.4.4 The Security Agent shall not be entitled to exercise any voting rights or any other powers or rights under paragraph 5.4.3 above if and to the extent that:-

- (a) a notifiable acquisition would, as a consequence, take place under section 6 of the National Security and Investment Act 2021 (the NSI Act) and any regulations made under the NSI Act; and
- (b) either:-
  - (i) the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or
  - (ii) the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act.

## 6. ACCOUNTS

### 6.1 General

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

6.1.2 Each Core Obligor shall

- (a) if any new Account is opened as permitted under the terms of the Facilities Agreement and the Intercreditor Agreement, deliver to the Security Agent details of such new Account promptly following such Account being opened;
- (b) in relation to such new Accounts (other than any Account held with the Security Agent), after this Security has become enforceable, serve a notice of charge in accordance with Clause 6.4 (*Notices of charge*) on each bank or other financial institution with which any such Account is maintained (and the relevant Core Obligor shall comply with its obligation under Clause 6.4.2 to obtain an acknowledgement of each such notice of charge); and
- (c) not, without the prior written consent of the Security Agent, permit or agree to any variation of the rights attaching to, or close, any Account.

6.1.3 Without prejudice to and in addition to Clauses 3.1 (*Security*) and 3.2 (*Disposals*):-

- (a) the benefit of each Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Core Obligor 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 Account without the prior written consent of the Security Agent (in its capacity as Security Agent under this Deed).

### 6.2 Accounts

6.2.1 Before this Security becomes enforceable:-

- (a) each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (other than any Blocked Account);
- (b) save as permitted pursuant to the terms of the Finance Documents, the Core Obligors shall not make any withdrawal from any Blocked Account without the prior written consent of the Security Agent (in its capacity as such);
- (c) If and to the extent necessary to enable, and for the sole purpose of enabling:
  - (i) each Chargor to comply with their obligations to make repayments of the Secured Liabilities arising under the Finance Documents; or
  - (ii) the Agent to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Finance Documents,

the Security Agent shall:

- (1) in the case of any Blocked Account held with the Security Agent, release from the Security created by this Deed the

whole or any part of the sums standing to the credit of any Blocked Account; and

- (2) in the case of any Blocked Account which is held with any other party, 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 such Blocked Account; and

(d) each Chargor hereby authorises the Security Agent (in its capacity as the bank with whom any Account is maintained) to endorse any statement in relation to any such Account with a statement to the effect that:-

- (i) the benefit of such Account is not capable of assignment or charge without the prior written consent of the Security Agent;
- (ii) the relevant Chargor has agreed not to assign, charge or otherwise deal with any moneys standing to the credit of such Account without the prior written consent of the Security Agent; and
- (iii) the benefit of such Account is subject to a first fixed charge in favour of the Security Agent as trustee for the Secured Parties.

6.2.2 After this Security becomes enforceable:-

- (a) the Security Agent shall be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Accounts and to:-
  - (i) demand and receive all and any moneys due under or arising out of the Accounts; and
  - (ii) exercise all such rights as the Chargors were then entitled to exercise in relation to the Accounts or might, but for the terms of this Deed, exercise; and
  - (iii) to 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 14 (*Application of Proceeds*); and
- (b) the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Agent (in its capacity as such).

6.2.3 Acknowledgement of fixed charge

The Security Agent (in its capacity as account bank) by its execution of this Deed or a Deed of Accession acknowledges the charges under Clause 2.6 (*Credit balances*) in relation to the Accounts in respect of which it is account bank.

### 6.3 Book debts and receipts

- 6.3.1 Each Core Obligor 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 paragraph 6.3.2 below) on trust for the Security Agent.

- 6.3.2 Each Core Obligor 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.

#### 6.4 Notices of charge

After this Security has become enforceable, each Chargor must:

- (a) promptly serve a notice of charge, substantially in the form of Part 1 of Schedule 5 (Forms of Letter for Account Bank), on each Account Bank; and
- (b) use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 5 (*Forms of Letter for Account Bank*).

### 7. INSURANCES

#### 7.1 General

7.1.1 Each Core Obligor shall:-

- (a) deliver to the Security Agent, promptly following execution of the same, such documents relating to the Insurance Rights assigned and/or charged under Clause 2.8 (*Insurances*) ("**Assigned Insurances**") as the Security Agent may reasonably require;
- (b) comply with the terms of the Assigned Insurances; and
- (c) notify the Security Agent of any breach or default under an Assigned Insurance by it or any other party and any right that arises entitling it to or any other party to terminate or rescind an Assigned Insurance, promptly upon becoming aware of the same.

7.1.2 Each Core Obligor shall not, without the prior written consent of the Security Agent:

- (a) amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Insurance;
- (b) 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
- (c) assign, transfer, charge or otherwise deal with or dispose of any Assigned Insurance or any of the relevant Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Insurances,

except as permitted by the terms of the Secured Finance Documents.

#### 7.2 Insurances

7.2.1 Before this Security has become enforceable, each Core Obligor 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 Finance Documents.

7.2.2 After this Security has become enforceable, each Core Obligor must:-

- (a) promptly serve a notice of assignment, substantially in the form of Part 1 of Schedule 6 (*Forms of Letter for Insurers*), on each counterparty to an Insurance; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 6 (*Forms of Letter for Insurers*).

## 8. INTELLECTUAL PROPERTY

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

## 9. OTHER CONTRACTS

### 9.1 General

#### 9.1.1 Each Core Obligor shall:-

- (a) deliver to the Security Agent, promptly following execution of the same, such documents relating to the Relevant Contracts as the Security Agent may reasonably require;
- (b) perform all its obligations under the Relevant Contracts in a diligent and timely manner; and
- (c) notify the Security Agent of any breach of or default under a Relevant Contract by it or any other party and any right that arises entitling it or any other party to terminate or rescind a Relevant Contract, promptly upon becoming aware of the same.

#### 9.1.2 No Core Obligor shall, without the prior written consent of the Security Agent:

- (a) amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Relevant Contract;
- (b) 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 Relevant Contract; or
- (c) assign, transfer, charge or otherwise deal with or dispose of any Relevant Contract or any of the relevant Core Obligors' rights, title, interest and benefits in, to and in respect of any Relevant Contract,

except as permitted by the terms of the Finance Documents.

### 9.2 Relevant Contracts

9.2.1 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, before this Security has become enforceable, the relevant Core Obligor may exercise all its rights in respect of the Relevant Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Relevant Contracts.

9.2.2 After this Security has become enforceable, each Core Obligor must, at the request of the Security Agent:-

- (a) promptly serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 7 (*SCHEDULE 7 Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.9 (Other contracts); and
- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 7 (*SCHEDULE 7 Forms of Letter for Other Contracts*).

## **10. WHEN SECURITY BECOMES ENFORCEABLE**

### **10.1 Event of Default**

This Security will become immediately enforceable upon:-

- 10.1.1 the occurrence of an Event of Default which is continuing; or
- 10.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it.

### **10.2 Discretion**

After this Security has become 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.

### **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 after this Security has become enforceable.

## **11. ENFORCEMENT OF SECURITY**

### **11.1 General**

- 11.1.1 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.
- 11.1.2 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.
- 11.1.3 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.

### **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 Secured 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:-

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

#### **11.5 Redemption of prior mortgages**

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

- (a) redeem any prior Security against any Secured 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 the Chargor.

11.5.2 Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

#### **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 an interest-bearing suspense account or other account selected by it.

#### **11.7 Financial collateral**

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

11.7.2 Where any financial collateral is appropriated:-

- (a) 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
- (b) 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**

- 12.1.1 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 Secured Assets if this Security has become enforceable.
- 12.1.2 Any appointment under paragraph 12.1.1 above may be by deed, under seal or in writing under its hand.
- 12.1.3 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.
- 12.1.4 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 Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- 12.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Secured 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 the Chargors**

- 12.4.1 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. The relevant Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- 12.4.2 No Secured Party will incur any liability (either to the relevant Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **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 Secured Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.



### **13. POWERS OF RECEIVER**

#### **13.1 General**

13.1.1 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:-

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

13.1.2 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 Secured Asset.

#### **13.3 Carry on business**

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

#### **13.4 Employees**

13.4.1 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.

13.4.2 A Receiver may discharge any person appointed by any Chargor.

#### **13.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Secured 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**

13.6.1 A Receiver may sell, exchange, convert into money and realise any Secured Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

13.6.2 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.

13.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

#### **13.7 Leases**

A Receiver may let any Secured 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 Secured Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

**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 Secured Asset.

**13.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Secured 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 Secured Asset.

**13.11 Subsidiaries**

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Secured 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:

13.14.1 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 Secured Asset;

13.14.2 commence and/or complete any building operation; and

13.14.3 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:-

13.15.1 do all other acts and things which he/she may consider necessary or desirable for realising any Secured 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;

13.15.2 exercise in relation to any Secured 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 Secured Asset; and

13.15.3 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 Intercreditor Agreement. This Clause 14:-

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

**15. EXPENSES AND INDEMNITY**

Each Chargor must:-

- 15.1 Immediately on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- 15.2 keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

**16. DELEGATION**

**16.1 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.

**16.2 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.

**16.3 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.

**17. FURTHER ASSURANCES**

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

- 17.1.1 creating, perfecting or protecting any security over any Secured Asset; or
- 17.1.2 facilitating the realisation of any Secured Asset, or after this Deed has become enforceable, 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 Secured Asset.

- 17.2 The action that may be required under paragraph 17.1 above includes:

- 17.2.1 the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
- 17.2.2 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 consider necessary.

**18. POWER OF ATTORNEY**

18.1 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 the 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 the 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 18.

18.2 The power given under Clause 18.1 above will take effect immediately, but may only be exercised at any time after this Deed becomes enforceable.

**19. MISCELLANEOUS**

**19.1 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.

**19.2 Tacking**

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

**19.3 New Accounts**

19.3.1 If any subsequent charge or other interest affects any Secured Asset, a Secured Party may open a new account with any Chargor.

19.3.2 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.

19.3.3 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.

**19.4 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:-

19.4.1 this Security has become enforceable; and

19.4.2 no Secured Liability is due and payable,

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

**19.5 Notice to Chargor**

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

20. **RELEASE**

At the end of the Security Period, the Finance Parties must, at the request and cost of each Chargor, take whatever action is necessary to release its Secured Assets from this Security.

21. **COUNTERPARTS**

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

22. **GOVERNING LAW**

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

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

**SCHEDULE 1**  
**CHARGORS**  
**PART 1**  
**HOLDCO OBLIGOR**

Company Name	Country of Incorporation	Company Number
Macdonald Hotels (Management) Limited	Scotland	SC141208

**PART 2**  
**CORE OBLIGORS**

Company Name	Country of Incorporation	Company Number
Macdonald Hotels Limited	Scotland	SC247423
Callers-Linden Holdings Limited	England	03083842
Cardrona Hotel, Golf & Country Club Limited	Scotland	SC187420
Hill Valley Hotel Golf & Country Club Limited	England	04934492
Ledge 563 Limited	Scotland	SC213290
Macdonald Alveston Limited	England	05948390
Macdonald Berystede Limited	England	05948377
Macdonald Compleat Angler Limited	England	05948433
Macdonald Crutherland Limited	England	05948367
Inchyra Grange Hotel Limited	Scotland	SC060447
Macdonald Leeming House Limited	England	05948329
Macdonald Resorts Limited	Scotland	SC019593

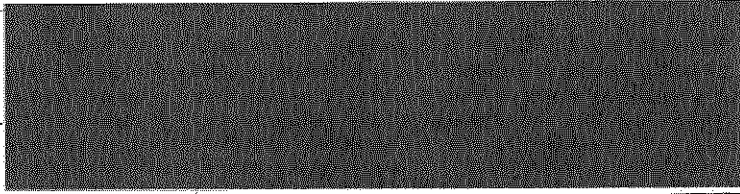
**SCHEDULE 2**

**PROPERTIES**

<b>Owner</b>	<b>Address</b>	<b>Title Number</b>
Macdonald Alveston Limited	Alveston Manor Hotel and 2,3,4 & 4b Tiddington Road, Stratford-Upon-Avon CV37 7AE	WK365770
Ledge 563 Limited	Heritage The Bath Spa Hotel, Sydney Road, Bath BA2 6JF and land adjoining Bath Spa Hotel, Sydney Road, Bath	AV187446 AV96561
Macdonald Berystede Limited	Macdonald Berystede Hotel & Spa, Bagshot Road, Sunninghill, Ascot, SL5 9JH	BK173008
Macdonald Compleat Angler Limited	Heritage The Compleat Angler, Bisham Road, Marlow (SL7 1RG) and various land adjoining the Compleat Angler Hotel	BK367308 BK367309 BK367310 BK367311 BK317023 BK394321
Macdonald Leeming House Limited	Leeming Cottages, Watermillock, Penrith;  Heritage Leeming House, Watermillock, Penrith (CA11 0JJ); and Land at Leeming House, Watermillock, Ullswater	CU164398 CU164397 CU152326
Callers-Linden Holdings Limited	Linden Hall Hotel, Longhorsley (NE65 8XF)  South Linden Farm, Longhorsley	ND108477 ND78847
Macdonald Resorts Limited	Elmers Court, Boldre, Walhampton, Lymington	HP298298
Hill Valley Hotel, Golf and Country Club Limited	Land known as Hill Valley Golf Club, Terrick, Whitchurch	SL159134

**SCHEDULE 3**  
**DETAILS OF ACCOUNTS**

**PART 1**  
**ACCOUNTS (OTHER THAN BLOCKED ACCOUNTS)**

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
Macdonald Hotels (Management) Limited				
Macdonald Resorts Limited				

**PART 2**  
**BLOCKED ACCOUNTS**

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code



**SCHEDULE 4**  
**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 the security under the Security Agreement has become enforceable and all of 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 *[insert account details]*.

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** (including that the security under the **Security Agreement** has become enforceable) 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 to *[insert account details]* [(as defined in the **Notice**)]; and
- (d) must continue to pay those moneys into the *[insert account details]* (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 5**  
**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 confirm that the security under the Security Agreement has become enforceable and all of 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:

- (e) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
- (f) comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent;
- (g) hold all sums standing to the credit of any Account to the order of the Security Agent; and
- (h) in respect of any 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 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:-

1. accept the instructions contained in the Notice and agree to comply with the Notice;
2. have not received notice of any prior security over, or the interest of any third party in, any Account;
3. 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;
4. will not permit any amount to be withdrawn from any Account (as defined in the Notice) without your prior written consent.

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 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 the security under the Security Agreement has become enforceable and all of 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 confirm that:-

1. we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance;
2. 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);
3. all payments and claims under or arising from the Insurance are to be made to the Security Agent to such account (or to its order) as it may specify in writing from time to time;
4. all remedies provided for in the Insurance or available at law or in equity are to be exercisable by the Security Agent; and
5. all rights to compel the performance of the Insurance are to be exercisable by the Security Agent.

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:-

1. accept the instructions contained in the Notice (including that the security under the Security Agreement has become enforceable) and agree to comply with the Notice; and
2. 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]<sup>1</sup> 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 the security under the Security Agreement has become enforceable and 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.

We confirm that:-

1. we will remain liable under the Contract to perform all the obligations assumed by us under the Contract;
2. 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;
3. all payments to be made to us under or arising from the Contract should be made to the Security Agent or to its order as it may specify in writing from time to time;
4. all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent; and
5. you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Security Agent from time to time (and to hold the money for any such payments to the Security Agent's order pending receipt of written instructions from the Security Agent).

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.

<sup>1</sup> Delete as applicable.

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]<sup>2</sup> 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:-

1. accept the instructions contained in the Notice (including that the security under the Security Agreement has become enforceable) and agree to comply with the Notice; and
2. 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]

<sup>2</sup> Delete as applicable.

**SCHEDULE 8**  
**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) [                      ] (the "**Borrower**") 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) [                      ] as the Security Agent.

**INTRODUCTION**

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Borrower.
- (B) This Deed is supplemental to a deed dated [                      ] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Borrower, each of the companies named in the Debenture as Chargors, and [                      ] as agent and trustee for the Secured Parties.
- (C) The New Chargor at the request of the Borrower and in consideration of the Secured Parties making or continuing to make facilities available to the Borrower 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:-

**2. DEFINITIONS AND INTERPRETATION**

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

**3. 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.

**4. SECURITY**

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Parties, all its business, undertaking and assets on the terms of Clause [    ] of the Debenture, provided that:-

- 4.1 the Property charged by way of legal mortgage shall be the Property referred to in Schedule 1 (*Property*);
- 4.2 the Investments charged shall include the Shares referred to in Schedule 2 (*Investments*);
- 4.3 the Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Insurances*);

4.4 the Relevant Contracts assigned shall include the Specified Contracts referred to in Schedule 4 (*Relevant Contracts*); and

4.5 the Accounts charged shall include the Accounts referred to in Schedule 4 (*Details of Accounts*).

5. **CONSENT OF EXISTING CHARGORS**

The Borrower 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.

6. **EFFECT ON DEBENTURE**

6.1 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.

6.2 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 Security Agent (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.

7 **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  
PROPERTY]<sup>3</sup>**

**[SCHEDULE 2  
INVESTMENTS]**

**[SCHEDULE 3  
INSURANCES]**

**[SCHEDULE 4  
RELEVANT CONTRACTS]**

**[SCHEDULE 5  
DETAILS OF ACCOUNTS**

**PART 1**

**DETAILS OF ACCOUNTS (OTHER THAN BLOCKED ACCOUNTS)**

**PART 2**

**BLOCKED ACCOUNTS]**

---

<sup>3</sup> Insert an overseas entity ID number if the New Chagor is an overseas owner for the purposes of the Economic Crime Act

## SIGNATURE PAGES TO DEED OF ACCESSION

### The New Chargor

EXECUTED as a Deed )  
by [NAME OF COMPANY] )  
acting by two Directors or a Director and its )  
Secretary:- )  
)

Director

Director/Secretary

Address: [ ]

Facsimile number [ ]

OR

EXECUTED as a Deed by [NAME OF )  
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 Borrower**

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

)  
)  
)  
)

Director

Director/Secretary

**The Security Agent**

**SIGNED** for and on behalf of  
[            ]

)  
)



## SIGNATORIES

### THE CHARGORS

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD HOTELS LIMITED** acting by

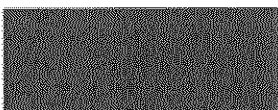
Hugh Gillies  
Full Name (Director)

  
Signature of Director

in the presence of:

Gemma Young  
Full Name (Witness)

Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD HOTELS (MANAGEMENT) LIMITED** acting by

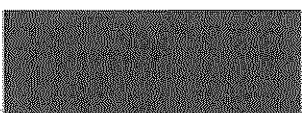
Hugh Gillies  
Full Name (Director)

  
Signature of Director

in the presence of:

Gemma Young  
Full Name (Witness)

Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **CALLERS-LINDEN HOLDINGS LIMITED** acting by

Hugh Gillies  
Full Name (Director)

  
Signature of Director

in the presence of:

Gemma Young  
Full Name (Witness)

Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **CARDRONA HOTEL, GOLF & COUNTRY CLUB LIMITED** acting by

Huan Gillies  
Full Name (Director)

  
Signature of Director

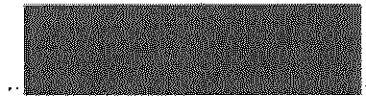
in the presence of:

GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

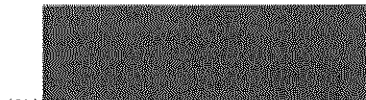
Executed as a Deed (but not delivered until the date of this Deed) by **HILL VALLEY HOTEL GOLF & COUNTRY CLUB LIMITED** acting by

Huan Gillies  
Full Name (Director)

  
Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

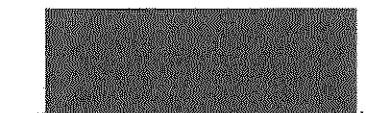
Executed as a Deed (but not delivered until the date of this Deed) by **LEDGE 563 LIMITED** acting by

Huan Gillies  
Full Name (Director)

  
Signature of Director

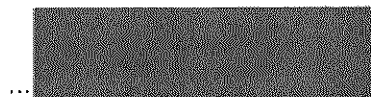
in the presence of:

GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD ALVESTON LIMITED** acting by

HUGH GILLES  
Full Name (Director)

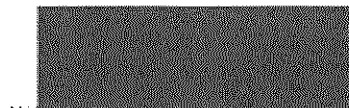


Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)

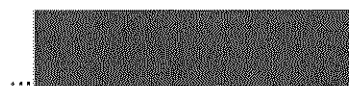
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD BERYSTEDE LIMITED** acting by

HUGH GILLES  
Full Name (Director)

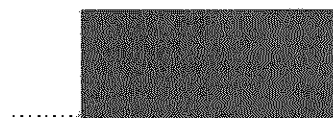


Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)

Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD COMPLEAT ANGLER LIMITED** acting by

HUGH GILLES  
Full Name (Director)

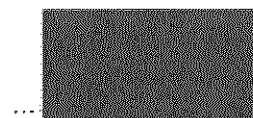


Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)

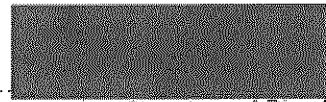
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD CRUTHERLAND LIMITED** acting by

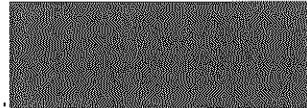
HUGH GILLIES  
Full Name (Director)



Signature of Director

in the presence of:

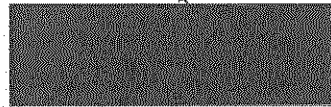
GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD LEEMING HOUSE LIMITED** acting by

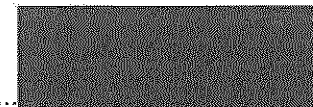
HUGH GILLIES  
Full Name (Director)



Signature of Director

in the presence of:

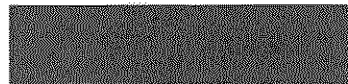
GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD RESORTS LIMITED** acting by

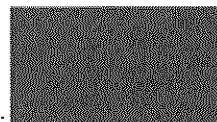
HUGH GILLIES  
Full Name (Director)



Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address



Signature of Witness

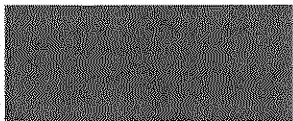
Executed as a Deed (but not delivered until the date of this Deed) by INCHYRA GRANGE HOTEL LIMITED acting by

Huan Glines  
Full Name (Director)

  
Signature of Director

in the presence of:

GEMMA YOUNG  
Full Name (Witness)  
Burness Paul LLP  
2 Atlantic Square  
31 York Street  
Glasgow G2 8AS  
Address

  
Signature of Witness

#### THE SECURITY AGENT

SIGNED by )  
a duly authorised officer for and on behalf of )  
THE ROYAL BANK OF SCOTLAND PLC )  
in the presence of:-

Signature of Witness:

Name of Witness:

Address:

Occupation:

EXECUTION VERSION

DATED 5 May 2023

(1) THE CHARGORS

(2) THE ROYAL BANK OF SCOTLAND PLC  
(as Security Agent)

---

DEBENTURE

---

This Deed is subject to the terms of the Intercreditor Agreement



Pinsent Masons

## CONTENTS

Clause	Page
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THIS DEED is dated 5 May 2023 and is made

**BETWEEN:-**

- (1) **THE COMPANIES LISTED 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) **THE ROYAL BANK OF SCOTLAND PLC** as security trustee for the Secured Parties (as defined in the Facilities Agreement defined below) (the "Security Agent").

**BACKGROUND:-**

- (A) The Chargors enter 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 as follows:-**

**1. DEFINITIONS AND INTERPRETATIONS**

**1.1 Definitions**

**In this Deed:-**

<b>"Accounts"</b>	means any accounts 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 any such account, including, without limitation, the accounts specified in Schedule 3 ( <i>Details of Accounts</i> ) or specified as an "Account" in any Deed of Accession
<b>"Act"</b>	means the Law of Property Act 1925
<b>"Blocked Account"</b>	means:- <ol style="list-style-type: none"><li>(a) the Accounts (if any) specified in Part 2 (<i>Blocked Accounts</i>) of Schedule 3 (<i>Details of Accounts</i>) or specified as a "Blocked Account" in any Deed of Accession; and</li><li>(b) any other Account agreed by the Security Agent or Agent and the Borrower in writing to be a Blocked Account</li></ol>
<b>"Borrower"</b>	means Macdonald Hotels Limited, a company registered in Scotland with company number (SC247423) having its registered office at Whiteside House, Whiteside Industrial Estate, Bathgate, West Lothian, EH48 2RX
<b>"BoS Accounts"</b>	means any accounts owned, operated, held or maintained at Bank of Scotland plc as at the date of this Deed which will be closed in accordance with Clause 17.1.3 ( <i>Designation of Accounts</i> ) of the Facilities Agreement

<b>"Core Obligor"</b>	means each of the companies listed in Part 2 of Schedule 1 ( <i>Chargors</i> )
<b>"Core Property"</b>	means:- <ul style="list-style-type: none"> <li>(a) Property; or</li> <li>(b) any freehold or leasehold property in England and Wales designated as a "Core Property" in accordance with the Facilities Agreement</li> </ul>
<b>"Deed of Accession"</b>	means a deed substantially in the form of Schedule 8 ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor
<b>"English Chargor"</b>	means a company listed in part 3 of Schedule 1 ( <i>Chargors</i> ) which is incorporated in England and Wales
<b>"Event of Default"</b>	has the meaning given to that term in the Facilities Agreement
<b>"Facilities Agreement"</b>	means the £56,300,000 term and revolving facilities agreement dated on or around the date of this Deed entered into between (among others) the Chargors and the Security Agent as amended, supplemented, novated, extended or restated from time to time
<b>"Holdco Obligor"</b>	means the company listed in Part 1 of Schedule 1 ( <i>Chargors</i> )
<b>"Intellectual Property"</b>	means any of the following:- <ul style="list-style-type: none"> <li>(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;</li> <li>(b) any brand and trade names, domain names, invention, copyright, design right or performance right;</li> <li>(c) any trade secrets, database right, know-how and confidential information; and</li> <li>(d) the benefit of any agreement or licence for the use of any such right,</li> </ul> <p>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</p>
<b>"Intercreditor Agreement"</b>	means the intercreditor agreement dated on or around the date of this deed entered into between (among others) the Security Agent and the Borrower as amended, supplemented, novated, extended or restated from time to time

<b>"Investments"</b>	means:- <ul style="list-style-type: none"> <li>(a) all shares in the capital of any Core Obligor (excluding the Borrower) located in England &amp; Wales owned by the Holdco Obligor or held by any nominee or trustee on behalf of the Holdco Obligor at any time; and</li> <li>(b) all other shares, stocks, debentures, bonds or other securities or investments owned by a Core Obligor (excluding the Borrower) or held by any nominee or trustee on its behalf</li> </ul>
<b>"Party"</b>	means a party to this Deed
<b>"Plant and Equipment"</b>	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of any kind and the benefit of all licences, warranties and contracts relating to the same
<b>"Property"</b>	means each property specified in Schedule 2 (Properties)
<b>"Receiver"</b>	means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed
<b>"Related Rights"</b>	means in relation to any Secured Asset:- <ul style="list-style-type: none"> <li>(a) the proceeds of sale of all or any part of that Secured Asset;</li> <li>(b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;</li> <li>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</li> </ul> any moneys and proceeds or income paid or payable in respect of that Secured Asset
<b>"Relevant Contract"</b>	means any document to which a Chargor is a party designated as such by the Security Agent and the Borrower
<b>"Scottish Assets"</b>	means all and any property, undertaking and/or assets (past, present or future) of a Chargor located in Scotland and/or otherwise governed by Scots law
<b>"Secured Assets"</b>	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 Security Agent by or pursuant to this Deed
<b>"Secured Liabilities"</b>	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 Obligor to any Secured Party under each Finance Document

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

## 1.2 Construction

- 1.2.1 Capitalised terms defined in the Facilities Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- 1.2.2 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.
- 1.2.3 Unless a contrary indication appears, a reference in this Deed to:-
- (a) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (b) any **rights** in respect of an asset includes:-
    - (i) all amounts and proceeds paid or payable;
    - (ii) all rights to make any demand or claim; and
    - (iii) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset;
  - (c) any **share, stock, debenture, bond or other security or investment** includes:-
    - (i) any dividend, interest or other distribution paid or payable;
    - (ii) 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
  - (d) the term **this Security** means any Security created by this Deed.
- 1.2.4 Any covenant of any Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- 1.2.5 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.
- 1.2.6 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.

1.2.7 Unless the context otherwise requires, a reference to a Secured Asset includes the proceeds of any disposal of that Secured Asset.

### **1.3 Effect as a deed**

This Secured Deed shall take effect as a deed even if it is executed under hand on behalf of the Security Agent.

### **1.4 Third party rights**

1.4.1 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.

1.4.2 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.

1.4.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph 1.4.2 above and the provisions of the Third Parties Act.

### **1.5 Nominees**

If the Security Agent causes or requires shares or any other asset to be registered in the name of its nominee, any reference in this Deed to the Security Agent shall, if the context permits or requires, be construed as a reference to the Security Agent and its nominee.

### **1.6 Intercreditor Agreement**

1.6.1 This Deed is subject to the terms of the Facilities Agreement and Intercreditor Agreement. In the event of a conflict or any inconsistency between the terms of:

- (a) this deed and the Intercreditor Agreement, the Intercreditor Agreement will prevail, and
- (b) this deed and the Facilities Agreement, the Facilities Agreement shall prevail.

## **2. CREATION OF SECURITY**

### **2.1 General**

2.1.1 Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

2.1.2 All the security created under this Deed:-

- (a) is created in favour of the Security Agent;
- (b) is created over present and future assets of each Chargor;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.1.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

## **2.2 Land**

- 2.2.1 Each Core Obligor (other than the Borrower) charges by way of a first legal mortgage all Property owned by it.
- 2.2.2 (to the extent that they are not either the subject of a mortgage under clause 2.2.1 above or any property located in Scotland) each Core Obligor (other than the Borrower) by way of a first fixed charge charges all estates or interests in any Core Property now or subsequently owned by it.
- 2.2.3 A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:-
- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
  - (b) the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

## **2.3 Investments**

- 2.3.1 The Holdco Obligor:-
- (a) charges by way of a first fixed charge all shares in any English Chargor owned by it or held by any nominee or trustee on its behalf; and
  - (b) (to the extent that they are not the subject of a mortgage under paragraph (a) above) charges by way of a first fixed charge its interest in all its Investments and all Related Rights under or in connection with the Investments.
- 2.3.2 Each Core Obligor charges by way of a first fixed charge its interest in all its Investments and all Related Rights under or in connection with the Investments.

## **2.4 Intellectual Property**

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

## **2.5 Plant and Equipment**

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (Land), in respect of the Core Property, each Core Obligor (other than the Borrower) charges by way of a first fixed charge all Plant and Equipment owned by the relevant Chargor and all Related Rights under or in connection with the Plant and Equipment.

## **2.6 Credit balances**

- 2.6.1 The Borrower charges by way of a first fixed charge all of its rights in respect of the Blocked Account, any amount standing to the credit of such Blocked Account and the debt represented by it.
- 2.6.2 Each Core Obligor charges by way of a first fixed charge all of its rights in respect of the Core Obligor Current Account, any amount standing to the credit of such Account and the debt represented by it.
- 2.6.3 The Holdco Obligor charges by way of a first fixed charge all of its rights in respect of the Management General Account, any amount standing to the credit of such Account and the debt represented by it.

- 2.6.4 Each Core Obligor charges by way of a first fixed charge all of its rights in respect of any account it has with any person (other than (1) the accounts referred to in Clauses 2.6.1 and 2.6.2 and (2) the BoS Accounts), any amount standing to the credit of any such account and the debt represented by it.

**2.7 Book debts etc.**

Each Core Obligor charges by way of a first fixed charge:-

- 2.7.1 all of its book and other debts;
- 2.7.2 all other moneys due and owing to it; and
- 2.7.3 the benefit of all rights in relation to any item under paragraphs 2.7.1 to 2.7.2 above.

**2.8 Insurances**

- 2.8.1 Each Core Obligor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance, in respect of the Core Properties, taken out by it or on its behalf or in which it has an interest but excluding such policies of insurance to the extent that they are in respect of third party liabilities or employees (together, the **Insurance Rights**).
- 2.8.2 to the extent that they have not been effectively assigned under paragraph 2.8.1 above, each Core Obligor charges by way of a first fixed charge all of its Insurance Rights, and all Related Rights in respect of the Core Properties.

**2.9 Other contracts**

- 2.9.1 Each Core Obligor (other than the Borrower) assigns absolutely, subject to a proviso for re-assignment on the irrevocable discharge in full of the Secured Liabilities, all its rights, title and interest from time to time under each Relevant Contract;
- 2.9.2 Each Chargor (other than the Borrower) assigns absolutely, subject to a proviso for re-assignment on the irrevocable discharge in full of the Secured Liabilities, all its rights, title and interest from time to time under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
- 2.9.3 Each Core Obligor (other than the Borrower), 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.
- 2.9.4 To the extent that they have not been effectively assigned under Clause 2.9.1 above, each Core Obligor (other than the Borrower) charges by way of a first fixed charge all of its rights listed under Clause 2.9.1 above.
- 2.9.5 To the extent that they have not been effectively assigned under Clause 2.9.2, the Holdco Obligor and each Core Obligor (excluding the Borrower) charges by way of a first fixed charge all of its rights listed under Clause 2.9.2 above.

**2.10 Miscellaneous**

Each Core Obligor charges by way of first fixed charge:-

- 2.10.1 its present and future goodwill;
- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Secured Asset;

- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph 2.10.2 above;
- 2.10.4 its uncalled capital; and
- 2.10.5 the benefit of all rights in relation to any item under paragraphs 2.10.1 to 2.10.4 above.

## 2.11 Floating charge

- 2.11.1 Each English Chargor, charges by way of a first floating charge:-
  - (a) all of its present and future business, undertaking and assets wherever situated, which are for any reason otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2; and
  - (b) all of its Scottish Assets whether or not so effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.11 (*Floating Charge*).
- 2.11.2 Except as provided below, the Security Agent may by notice to an English Chargor convert the floating charge created by this Clause 2.11 (Floating charge) into a fixed charge as regards any of that English Chargor's assets specified in that notice if:
  - (a) an Event of Default has occurred and is continuing; or
  - (b) the Security Agent considers that any Secured Assets are in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 2.11.3 Subject to paragraph 2.11.4 below, the floating charge created by this Clause 2.11 (Floating charge) may not be converted into a fixed charge solely by reason of:-
  - (a) the obtaining of a moratorium; or
  - (b) anything done with a view to obtaining a moratorium,
 under Part A1 of the Insolvency Act 1986.
- 2.11.4 Paragraph 2.11.3 above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- 2.11.5 The floating charge created by this Clause 2.11 (Floating charge) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the relevant English Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
- 2.11.6 Any charge that has crystallised under Clause 2.11.2 or Clause 2.11.5 may by notice in writing (given at any time by the Security Agent), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.
- 2.11.7 The floating charge created by this Clause 2.11 (Floating charge) is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 2.11.8 Clause 2.11.2 and clause 2.11.5 will not apply to Scottish Assets nor the extent that a receiver would not be capable of exercising their powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such conversion by notice or automatic conversion.



### **3. RESTRICTIONS ON DEALINGS**

#### **3.1 Security**

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

#### **3.2 Disposals**

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor can 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 Secured Asset.

#### **3.3 Ranking**

Subject to Section 464(2) of the Companies Act 1985, the floating charge created pursuant to this Deed shall rank in priority to any Security created by any Chargor after its execution of this Deed except any fixed security in favour of the Security Agent.

### **4. LAND**

#### **4.1 Notices to tenants**

After this Security has become enforceable, each Core Obligor (excluding the Borrower) must, in respect of any Core Property:-

4.1.1 promptly serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (*Forms of Letter for Occupational Tenants*), on each tenant of the Property; and

4.1.2 use its reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (*Forms of Letter for Occupational Tenants*).

#### **4.2 Acquisitions**

If a Core Obligor (other than the Borrower) acquires a Core Property, in accordance with the Facilities Agreement, after the date of this Deed, it must:-

4.2.1 notify the Security Agent immediately;

4.2.2 immediately on request by the Security Agent and at the cost of the relevant Core Obligor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in any form which the Security Agent may require; and

4.2.3 (a) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and

(b) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

#### **4.3 Land Registry**

Each Core Obligor (other the Borrower) consents to a restriction in the following terms being entered into on the Register of Title relating to any Core Property registered at the 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 Core Obligor (other than the Borrower) must, in respect of any Core Property, immediately:

- 4.4.1 deposit with the Security Agent all deeds and documents necessary to show good and marketable title to any property referred to in Clause 4.2 (Acquisitions) (the **Title Documents**);
- 4.4.2 procure that the Title Documents are held at the applicable Land Registry to the order of the Security Agent; or
- 4.4.3 procure that the Title Documents 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 (other than the Borrower) must 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 Investments) and upon the acquisition by each Chargor (other than the Borrower) of any interest in any Investments immediately:-

- 5.1.1 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; and
- 5.1.2 execute and deliver to the Security Agent all share transfers and other documents 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 Investments,

provided that in relation to the acquisition of any share for which relevant taxes apply, the period will start from the date that the stamped stock transfer forms are received back from the relevant office.

#### **5.2 Calls**

- 5.2.1 Each Chargor (other than the Borrower) must pay all calls or other payments due and payable in respect of any of its Investments in accordance with the Facilities Agreement.
- 5.2.2 If a Chargor (other than the Borrower) fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Investments on behalf of that Chargor. That Chargor (other than the Borrower) must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 5.2 (Calls).

#### **5.3 Other obligations in respect of Investments**

- 5.3.1 Each Chargor (other than the Borrower) must promptly send a copy to the Security Agent of, and comply with all requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of any Chargor (other than the Borrower).
- 5.3.2 Each Chargor (other than the Borrower) must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- 5.3.3 The Security Agent is not obliged to:-
  - (a) perform any obligation of a Chargor;

- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or any Chargor; or
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment of a Chargor (other than the Borrower).

#### **5.4 Voting rights**

##### **5.4.1 Before this Security becomes enforceable:-**

- (a) the voting rights, powers and other rights in respect of the Investments of a Chargor (other than the Borrower) will be exercised:-
  - (i) by that Chargor; or
  - (ii) if exercisable by the Security Agent, in any manner which that Chargor may direct the Security Agent in writing; and
- (b) all dividends, distributions or other income paid or payable in relation to any Chargor's Investments in accordance with the Facilities Agreement must be paid into the General Account.

##### **5.4.2 Each Chargor (other than the Borrower) must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of the Chargor's Investments as permitted by this Deed on the direction of the relevant Chargor.**

##### **5.4.3 Subject to paragraph 5.4.4 below, after this Security has become enforceable, the Security Agent may exercise (in the name of any Chargor (other than the Borrower) and without any further consent or authority on the part of that Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.**

##### **5.4.4 The Security Agent shall not be entitled to exercise any voting rights or any other powers or rights under paragraph 5.4.3 above if and to the extent that:-**

- (a) a notifiable acquisition would, as a consequence, take place under section 6 of the National Security and Investment Act 2021 (the NSI Act) and any regulations made under the NSI Act; and
- (b) either:-
  - (i) the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or
  - (ii) the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act.

6. **ACCOUNTS**

6.1 **General**

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

6.1.2 Each Core Obligor shall

- (a) if any new Account is opened as permitted under the terms of the Facilities Agreement and the Intercreditor Agreement, deliver to the Security Agent details of such new Account promptly following such Account being opened;
- (b) in relation to such new Accounts (other than any Account held with the Security Agent), after this Security has become enforceable, serve a notice of charge in accordance with Clause 6.4 (*Notices of charge*) on each bank or other financial institution with which any such Account is maintained (and the relevant Core Obligor shall comply with its obligation under Clause 6.4.2 to obtain an acknowledgement of each such notice of charge); and
- (c) not, without the prior written consent of the Security Agent, permit or agree to any variation of the rights attaching to, or close, any Account.

6.1.3 Without prejudice to and in addition to Clauses 3.1 (*Security*) and 3.2 (*Disposals*):-

- (a) the benefit of each Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Core Obligor 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 Account without the prior written consent of the Security Agent (in its capacity as Security Agent under this Deed).

6.2 **Accounts**

6.2.1 Before this Security becomes enforceable:-

- (a) each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (other than any Blocked Account);
- (b) save as permitted pursuant to the terms of the Finance Documents, the Core Obligors shall not make any withdrawal from any Blocked Account without the prior written consent of the Security Agent (in its capacity as such);
- (c) if and to the extent necessary to enable, and for the sole purpose of enabling:
  - (i) each Chargor to comply with their obligations to make repayments of the Secured Liabilities arising under the Finance Documents; or
  - (ii) the Agent to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Finance Documents,

the Security Agent shall:

- (1) in the case of any Blocked Account held with the Security Agent, release from the Security created by this Deed the

whole or any part of the sums standing to the credit of any Blocked Account; and

- (2) in the case of any Blocked Account which is held with any other party, 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 such Blocked Account; and

(d) each Chargor hereby authorises the Security Agent (in its capacity as the bank with whom any Account is maintained) to endorse any statement in relation to any such Account with a statement to the effect that:-

- (i) the benefit of such Account is not capable of assignment or charge without the prior written consent of the Security Agent;
- (ii) the relevant Chargor has agreed not to assign, charge or otherwise deal with any moneys standing to the credit of such Account without the prior written consent of the Security Agent; and
- (iii) the benefit of such Account is subject to a first fixed charge in favour of the Security Agent as trustee for the Secured Parties.

6.2.2 After this Security becomes enforceable:-

- (a) the Security Agent shall be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Accounts and to:-
  - (i) demand and receive all and any moneys due under or arising out of the Accounts; and
  - (ii) exercise all such rights as the Chargors were then entitled to exercise in relation to the Accounts or might, but for the terms of this Deed, exercise; and
  - (iii) to 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 14 (*Application of Proceeds*); and
- (b) the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Agent (in its capacity as such).

6.2.3 Acknowledgement of fixed charge

The Security Agent (in its capacity as account bank) by its execution of this Deed or a Deed of Accession acknowledges the charges under Clause 2.6 (*Credit balances*) in relation to the Accounts in respect of which it is account bank.

### 6.3 Book debts and receipts

6.3.1 Each Core Obligor 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 paragraph 6.3.2 below) on trust for the Security Agent.

- 6.3.2 Each Core Obligor 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.

#### 6.4 Notices of charge

After this Security has become enforceable, each Chargor must:

- (a) promptly serve a notice of charge, substantially in the form of Part 1 of Schedule 5 (Forms of Letter for Account Bank), on each Account Bank; and
- (b) use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 5 (*Forms of Letter for Account Bank*).

### 7. INSURANCES

#### 7.1 General

7.1.1 Each Core Obligor shall:-

- (a) deliver to the Security Agent, promptly following execution of the same, such documents relating to the Insurance Rights assigned and/or charged under Clause 2.8 (*Insurances*) ("**Assigned Insurances**") as the Security Agent may reasonably require;
- (b) comply with the terms of the Assigned Insurances; and
- (c) notify the Security Agent of any breach or default under an Assigned Insurance by it or any other party and any right that arises entitling it to or any other party to terminate or rescind an Assigned Insurance, promptly upon becoming aware of the same.

7.1.2 Each Core Obligor shall not, without the prior written consent of the Security Agent:

- (a) amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Insurance;
- (b) 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
- (c) assign, transfer, charge or otherwise deal with or dispose of any Assigned Insurance or any of the relevant Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Insurances,

except as permitted by the terms of the Secured Finance Documents.

#### 7.2 Insurances

7.2.1 Before this Security has become enforceable, each Core Obligor 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 Finance Documents.

7.2.2 After this Security has become enforceable, each Core Obligor must:-

- (a) promptly serve a notice of assignment, substantially in the form of Part 1 of Schedule 6 (*Forms of Letter for Insurers*), on each counterparty to an Insurance; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 6 (*Forms of Letter for Insurers*).

## 8. INTELLECTUAL PROPERTY

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

## 9. OTHER CONTRACTS

### 9.1 General

#### 9.1.1 Each Core Obligor shall:-

- (a) deliver to the Security Agent, promptly following execution of the same, such documents relating to the Relevant Contracts as the Security Agent may reasonably require;
- (b) perform all its obligations under the Relevant Contracts in a diligent and timely manner; and
- (c) notify the Security Agent of any breach of or default under a Relevant Contract by it or any other party and any right that arises entitling it or any other party to terminate or rescind a Relevant Contract, promptly upon becoming aware of the same.

#### 9.1.2 No Core Obligor shall, without the prior written consent of the Security Agent:

- (a) amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Relevant Contract;
- (b) 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 Relevant Contract; or
- (c) assign, transfer, charge or otherwise deal with or dispose of any Relevant Contract or any of the relevant Core Obligors' rights, title, interest and benefits in, to and in respect of any Relevant Contract,

except as permitted by the terms of the Finance Documents.

### 9.2 Relevant Contracts

9.2.1 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, before this Security has become enforceable, the relevant Core Obligor may exercise all its rights in respect of the Relevant Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Relevant Contracts.

9.2.2 After this Security has become enforceable, each Core Obligor must, at the request of the Security Agent:-

- (a) promptly serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 7 (*SCHEDULE 7*

*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.9 (Other contracts); and

- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 7 (*SCHEDULE 7*

*Forms of Letter for Other Contracts*).

## **10. WHEN SECURITY BECOMES ENFORCEABLE**

### **10.1 Event of Default**

This Security will become immediately enforceable upon:-

10.1.1 the occurrence of an Event of Default which is continuing; or

10.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it.

### **10.2 Discretion**

After this Security has become 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.

### **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 after this Security has become enforceable.

## **11. ENFORCEMENT OF SECURITY**

### **11.1 General**

11.1.1 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.

11.1.2 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.

11.1.3 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.

### **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 Secured 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:-

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

#### **11.5 Redemption of prior mortgages**

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

- (a) redeem any prior Security against any Secured 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 the Chargor.

11.5.2 Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

#### **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 an interest-bearing suspense account or other account selected by it.

#### **11.7 Financial collateral**

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

11.7.2 Where any financial collateral is appropriated:-

- (a) 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
- (b) 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**

- 12.1.1 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 Secured Assets if this Security has become enforceable.
- 12.1.2 Any appointment under paragraph 12.1.1 above may be by deed, under seal or in writing under its hand.
- 12.1.3 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.
- 12.1.4 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 Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- 12.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Secured 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 the Chargors**

- 12.4.1 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. The relevant Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- 12.4.2 No Secured Party will incur any liability (either to the relevant Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **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 Secured Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

### **13. POWERS OF RECEIVER**

#### **13.1 General**

13.1.1 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:-

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

13.1.2 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 Secured Asset.

#### **13.3 Carry on business**

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

#### **13.4 Employees**

13.4.1 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.

13.4.2 A Receiver may discharge any person appointed by any Chargor.

#### **13.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Secured 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**

13.6.1 A Receiver may sell, exchange, convert into money and realise any Secured Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

13.6.2 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.

13.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

#### **13.7 Leases**

A Receiver may let any Secured 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 Secured Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

**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 Secured Asset.

**13.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Secured 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 Secured Asset.

**13.11 Subsidiaries**

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Secured 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:

13.14.1 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 Secured Asset;

13.14.2 commence and/or complete any building operation; and

13.14.3 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:-

13.15.1 do all other acts and things which he/she may consider necessary or desirable for realising any Secured 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;

13.15.2 exercise in relation to any Secured 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 Secured Asset; and

13.15.3 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 Intercreditor Agreement. This Clause 14:-

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

**15. EXPENSES AND INDEMNITY**

Each Chargor must:-

- 15.1 Immediately on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- 15.2 keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

**16. DELEGATION**

**16.1 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.

**16.2 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.

**16.3 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.

**17. FURTHER ASSURANCES**

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

- 17.1.1 creating, perfecting or protecting any security over any Secured Asset; or
- 17.1.2 facilitating the realisation of any Secured Asset, or after this Deed has become enforceable, 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 Secured Asset.

- 17.2 The action that may be required under paragraph 17.1 above includes:

- 17.2.1 the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
- 17.2.2 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 consider necessary.

**18. POWER OF ATTORNEY**

18.1 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 the 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 the 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 18.

18.2 The power given under Clause 18.1 above will take effect immediately, but may only be exercised at any time after this Deed becomes enforceable.

**19. MISCELLANEOUS**

**19.1 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.

**19.2 Tacking**

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

**19.3 New Accounts**

19.3.1 If any subsequent charge or other interest affects any Secured Asset, a Secured Party may open a new account with any Chargor.

19.3.2 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.

19.3.3 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.

**19.4 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:-

19.4.1 this Security has become enforceable; and

19.4.2 no Secured Liability is due and payable,

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

**19.5 Notice to Chargor**

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

**20. RELEASE**

At the end of the Security Period, the Finance Parties must, at the request and cost of each Chargor, take whatever action is necessary to release its Secured Assets from this Security.

**21. COUNTERPARTS**

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

**22. GOVERNING LAW**

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

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

**SCHEDULE 1****CHARGORS****PART 1****HOLDCO OBLIGOR**

<b>Company Name</b>	<b>Country of Incorporation</b>	<b>Company Number</b>
Macdonald Hotels (Management) Limited	Scotland	SC141208

**PART 2****CORE OBLIGORS**

<b>Company Name</b>	<b>Country of Incorporation</b>	<b>Company Number</b>
Macdonald Hotels Limited	Scotland	SC247423
Callers-Linden Holdings Limited	England	03083842
Cardrona Hotel, Golf & Country Club Limited	Scotland	SC187420
Hill Valley Hotel Golf & Country Club Limited	England	04934492
Ledge 563 Limited	Scotland	SC213290
Macdonald Alveston Limited	England	05948390
Macdonald Berystede Limited	England	05948377
Macdonald Compleat Angler Limited	England	05948433
Macdonald Crutherland Limited	England	05948367
Inchyra Grange Hotel Limited	Scotland	SC060447
Macdonald Leeming House Limited	England	05948329
Macdonald Resorts Limited	Scotland	SC019593



## SCHEDULE 2

### PROPERTIES

Owner	Address	Title Number
Macdonald Alveston Limited	Alveston Manor Hotel and 2,3,4 & 4b Tiddington Road, Stratford-Upon-Avon CV37 7AE	WK365770
Ledge 563 Limited	Heritage The Bath Spa Hotel, Sydney Road, Bath BA2 6JF and land adjoining Bath Spa Hotel, Sydney Road, Bath	AV187446 AV96561
Macdonald Berystede Limited	Macdonald Berystede Hotel & Spa, Bagshot Road, Sunninghill, Ascot, SL5 9JH	BK173008
Macdonald Compleat Angler Limited	Heritage The Compleat Angler, Bisham Road, Marlow (SL7 1RG) and various land adjoining the Compleat Angler Hotel	BK367308 BK367309 BK367310 BK367311 BK317023 BK394321
Macdonald Leeming House Limited	Leeming Cottages, Watermillock, Penrith;  Heritage Leeming House,  Watermillock, Penrith (CA11 0JJ); and Land at Leeming House,  Watermillock, Ullswater	CU164398  CU164397  CU152326
Callers-Linden Holdings Limited	Linden Hall Hotel, Longhorsley (NE65 8XF)  South Linden Farm, Longhorsley	ND108477  ND78847
Macdonald Resorts Limited	Elmers Court, Boldre, Walhampton, Lymington	HP298298
Hill Valley Hotel, Golf and Country Club Limited	Land known as Hill Valley Golf Club, Terrick, Whitchurch	SL159134

**SCHEDULE 3**  
**DETAILS OF ACCOUNTS**

**PART 1**  
**ACCOUNTS (OTHER THAN BLOCKED ACCOUNTS)**

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
Macdonald Hotels (Management) Limited				
Macdonald Resorts Limited				

**PART 2**  
**BLOCKED ACCOUNTS**

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code

**SCHEDULE 4**  
**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 the security under the Security Agreement has become enforceable and all of 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 *[insert account details]*.

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 (including that the security under the Security Agreement has become enforceable) 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 to *[insert account details]* [(as defined in the Notice)]; and
- (d) must continue to pay those moneys into the *[insert account details]* (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 5**  
**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 confirm that the security under the Security Agreement has become enforceable and all of 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:

- (e) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
- (f) comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent;
- (g) hold all sums standing to the credit of any Account to the order of the Security Agent; and
- (h) in respect of any 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 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:-

1. accept the instructions contained in the Notice and agree to comply with the Notice;
2. have not received notice of any prior security over, or the interest of any third party in, any Account;
3. 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;
4. will not permit any amount to be withdrawn from any Account (as defined in the Notice) without your prior written consent.

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 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 the security under the Security Agreement has become enforceable and all of 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 confirm that:-

1. we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance;
2. 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);
3. all payments and claims under or arising from the Insurance are to be made to the Security Agent to such account (or to its order) as it may specify in writing from time to time;
4. all remedies provided for in the Insurance or available at law or in equity are to be exercisable by the Security Agent; and
5. all rights to compel the performance of the Insurance are to be exercisable by the Security Agent.

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:-

1. accept the instructions contained in the Notice (including that the security under the Security Agreement has become enforceable) and agree to comply with the Notice; and
2. 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]<sup>1</sup> 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 the security under the Security Agreement has become enforceable and 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.

We confirm that:-

1. we will remain liable under the Contract to perform all the obligations assumed by us under the Contract;
2. 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;
3. all payments to be made to us under or arising from the Contract should be made to the Security Agent or to its order as it may specify in writing from time to time;
4. all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent; and
5. you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Security Agent from time to time (and to hold the money for any such payments to the Security Agent's order pending receipt of written instructions from the Security Agent).

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.

---

<sup>1</sup> Delete as applicable.

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]<sup>2</sup> 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:-

1. accept the instructions contained in the Notice (including that the security under the Security Agreement has become enforceable) and agree to comply with the Notice; and
2. 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]

<sup>2</sup> Delete as applicable.

**SCHEDULE 8**  
**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) [ ] (the "**Borrower**") 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) [ ] as the Security Agent.

**INTRODUCTION**

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Borrower.
- (B) This Deed is supplemental to a deed dated [ ] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Borrower, each of the companies named in the Debenture as Chargors, and [ ] as agent and trustee for the Secured Parties.
- (C) The New Chargor at the request of the Borrower and in consideration of the Secured Parties making or continuing to make facilities available to the Borrower 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:-

**2. DEFINITIONS AND INTERPRETATION**

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

**3. 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.

**4. SECURITY**

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Parties, all its business, undertaking and assets on the terms of Clause [ ] of the Debenture, provided that:-

- 4.1 the Property charged by way of legal mortgage shall be the Property referred to in Schedule 1 (*Property*);
- 4.2 the Investments charged shall include the Shares referred to in Schedule 2 (*Investments*);
- 4.3 the Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Insurances*);

4.4 the Relevant Contracts assigned shall include the Specified Contracts referred to in Schedule 4 (*Relevant Contracts*); and

4.5 the Accounts charged shall include the Accounts referred to in Schedule 4 (*Details of Accounts*).

**5. CONSENT OF EXISTING CHARGORS**

The Borrower 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.

**6. EFFECT ON DEBENTURE**

6.1 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.

6.2 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 Security Agent (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.

**7. 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  
PROPERTY]<sup>3</sup>

[SCHEDULE 2  
INVESTMENTS]

[SCHEDULE 3  
INSURANCES]

[SCHEDULE 4  
RELEVANT CONTRACTS]

[SCHEDULE 5  
DETAILS OF ACCOUNTS

PART 1

DETAILS OF ACCOUNTS (OTHER THAN BLOCKED ACCOUNTS)

PART 2

BLOCKED ACCOUNTS]

---

<sup>3</sup> Insert an overseas entity ID number if the New Chargor is an overseas owner for the purposes of the Economic Crime Act



**SIGNATURE PAGES TO DEED OF ACCESSION**

**The New Chargor**

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

Director

Director/Secretary

Address: [ ]

Facsimile number [ ]

**OR**

**EXECUTED** as a Deed by **[NAME OF** )  
**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 Borrower**

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

)  
)  
)  
)

Director

Director/Secretary

**The Security Agent**

**SIGNED** for and on behalf of  
[            ]

)  
)

## SIGNATORIES

### THE CHARGORS

Executed as a Deed (but not delivered until the date of  
this Deed) by **MACDONALD HOTELS LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of  
this Deed) by **MACDONALD HOTELS  
(MANAGEMENT) LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of  
this Deed) by **CALLERS-LINDEN HOLDINGS LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of  
this Deed) by **CARDRONA HOTEL, GOLF &  
COUNTRY CLUB LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of  
this Deed) by **HILL VALLEY HOTEL GOLF &  
COUNTRY CLUB LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of  
this Deed) by **LEDGE 563 LIMITED**  
acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD ALVESTON LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD BERYSTEDE LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD COMPLEAT ANGLER LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD CRUTHERLAND LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD LEEMING HOUSE LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **MACDONALD RESORTS LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **INCHYRA GRANGE HOTEL LIMITED** acting by

.....  
Full Name (Director)

.....  
Signature of Director

in the presence of:

.....  
Full Name (Witness)

.....  
Address

.....  
Signature of Witness

**THE SECURITY AGENT**

SIGNED by *DAVID AMOS* )  
a duly authorised officer for and on behalf of )  
**THE ROYAL BANK OF SCOTLAND PLC** )  
in the presence of:-

Signature of Witness:

Name of Witness:

Address:

Occupation: