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COMPANIES FORM No. 410(Scot)

410

Particulars of a charge created by a company registered in Scotland

A fee of £13 is payable to Companies House in
respect of each register entry for a mortgage or
charge

CHFP025

Please do not
write in this
margin

Pursuant to section 410 of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

[1 1 2]

SC268072

Name of company

* MACDONALD SHEFFIELD LIMITED (the "Assignor")

* insert full name
of company

Date of creation of the charge (note 1)

11 March 2005

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

Assignment in Security (the "Assignment")

Amount secured by the charge

All present and future liabilities and obligations (whether actual or
contingent and whether owed jointly or severally or in any other capacity
whatsoever) which now or hereafter may be or become due and owing by the
Assignor to any Secured Party under the Relevant Documents (the "Secured
Liabilities").

Please see attached continuation sheet for definitions.

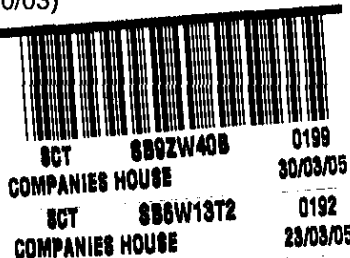
Names and addresses of the persons entitled to the charge

The Governor and Company of the Bank of Scotland, The Mound, Edinburgh,
EH1 1YZ, as security trustee for itself and each of the Security Parties
(the "Security Trustee").

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

Maclay Murray & Spens
3 Glenfinlas Street,
Edinburgh
EH3 6AQ
CGM/RDG/SMK/BAN.13.1121
0131 226 5196

For official use (10/03)
Charges Sect



Short particulars of all the property charged.

*Please do not
write in
this margin*

The Assignor with full title guarantee assigns to the Security Trustee as continuing security for the payment on demand of the Secured Liabilities the Assignor's rights, interests and benefits in and to the Development Agreement including without limitation the right (if any) to receive payments of principal and interest in respect of the Development Agreement.

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

Please see attached continuation sheet for definitions.

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

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

*A fee is payable
to Companies
House in respect
of each register
entry for a
mortgage or
charge.
(See Note 5)*

Signed

Date 22 March 2005

On behalf of ~~XXXXXXXX~~ [chargee] †

Notes

† delete as appropriate

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

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

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

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

5. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.

6. The address of the Registrar of Companies is: Companies House, 37 Castle Terrace, Edinburgh EH1 2EB
DX 235 Edinburgh or LP - 4 Edinburgh 2

Continuation sheet 1

To the Registrar of Companies

Name of company
Macdonald Sheffield Limited

Company number
SC268072

Macdonald Sheffield Limited (the “Assignor”)

Definitions

“Borrower”	means Island Hospitality Ventures Limited;
“Development Agreement”	means the development agreement between the Macdonald Hotels Plc and the Sheffield City Council dated 21 November 2003 which has been novated to the Assignor on 11 March 2005 relating to the erection of an hotel at “Heart of the City” Development, Sheffield;
“Facility Agreement”	means the facility agreement dated 11 August 2004 among inter alia Island Hospitality Ventures Limited and the Security Trustee in relation to term loan facilities;
“Finance Document”	means the Facility Agreement and any Fee Letter, any Accession Letter, the Security Documents, the Treasury Guarantee, any Hedging Agreement, the Inter Creditor Agreement (all as defined in the Facility Agreement) and any other document designated as such by the Security Trustee and the Borrower;
“Finance Party”	means The Governor and Company of the Bank of Scotland in its various capacities, including as Security Trustee;
“Loan Stock Instrument”	means the loan stock instrument executed by the Borrower constituting the Loan Stock (as defined therein);
“Loan Stockholders”	means the “Stockholders” as defined in the Loan Stock Instrument.
“Relevant Documents”	means the Finance Documents and the Loan Stock Instrument and any other document designated as such by the Security Trustee;
“Secured Party”	means a Finance Party, a Loan Stockholder or any other persons designated as such by the Security Trustee.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number 268072

I hereby certify that a charge created by

MACDONALD SHEFFIELD LIMITED

on 11 MARCH 2005

for securing

ALL SUMS DUE UNDER THE RELEVANT DOCUMENTS

in favour of

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND

was delivered pursuant to section 410 of the Companies Act, 1985,
on 30 MARCH 2005 given at Companies House, Edinburgh
4 APRIL 2005



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



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES