

M

COMPANIES FORM No. 410(Scot)

Particulars of a charge created by a company registered in Scotland

410

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

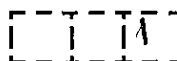
Pursuant to section 410 of the Companies Act 1985

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



SC268072

Name of company

* MACDONALD SHEFFIELD LIMITED (the "Assignor")

Date of creation of the charge (note 1)

11 March 2005

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

Debenture (the "Debenture")

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 Company to any Secured Party under the Relevant Documents (the "Secured Obligations").

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 Section

Post room



Short particulars of all the property charged.

Please do not
write in
this margin

Please see attached continuation sheet.

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

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

Save for Permitted Security Rights, the Company shall not, without the prior written consent of the Security Trustee, create or permit to subsist any Security Right over any Asset other than pursuant to the Debenture or any other Security Right in favour of the Security Trustee.

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 ~~XXXXXX~~ [chargee] †

Notes

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

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

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

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

5. 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

† delete as
appropriate

Continuation sheet 1

To the Registrar of Companies

Name of company
Macdonald Sheffield Limited

Company number
SC268072

Macdonald Sheffield Limited (the “Company”)

Short particulars of the property mortgaged or charged:-

1. The Company, in security for the payment or discharge of the Secured Obligations, with full title guarantee charges in favour of the Security Trustee:-
 - 1.1 by way of a first legal mortgage all estates or interests in any freehold or leasehold property (except any property heritable or leasehold property in Scotland) now or hereafter belonging to it; and
 - 1.2 by way of a first fixed charge:-
 - 1.2.1 to the extent that they are not the subject of an effective mortgage under paragraph 1.1 above all estates or interests in any freehold or leasehold property now or hereafter belonging to it (other than any property the subject of paragraph 1.1 above);
 - 1.2.2 all plant and machinery owned by the Company and its interests in any plant or machinery in its possession;
 - 1.2.3 all monies standing to the credit of any account with any person and the debts represented by them;
 - 1.2.4 all benefits in respect of all contracts and policies of insurances taken out by or on behalf of the Company or (to the extent of the Company's interest) in which the Company has an interest and all claims and returns of premiums in respect of any such policies;
 - 1.2.5 all of its book debts and other debts, the proceeds of the same and all other moneys due and owing to the Company and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing;

- 1.2.6 all its rights under any interest rate hedging arrangements;
 - 1.2.7 any beneficial interest, claim or entitlement of the Company in any pension fund;
 - 1.2.8 its goodwill;
 - 1.2.9 its uncalled capital;
 - 1.2.10 all stocks, shares and other securities held now or in the future by it and/or any nominee on its behalf and all dividends and other distributions paid or payable on any such stocks, shares or other securities (and interest thereon) or other rights accruing or offered at any time by way of redemption, bonus, pre-emption or otherwise or in respect of any such stocks, shares or other securities or in substitution or exchange thereof;
 - 1.2.11 all its present and future Intellectual Property Rights owned by it;
 - 1.2.12 the benefit of all licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Asset specified in any other subparagraph of this paragraph and the right to recover and receive all compensation which may be payable to it in respect of them;
 - 1.2.13 (for the extent capable of being charged) its rights under the agreement or agreements relating to the purchase of any freehold or leasehold property; and
 - 1.2.14 (for the extent capable of being charged) all its rights under any occupational lease, licence or other right of occupation;
- 1.3 by way of floating charge the whole of its undertaking and all other property, assets and rights of whatever nature and wherever situated both present and future which are not otherwise effectively charged pursuant to paragraphs 1.1 and 1.2 above or (in relation to Assets situated in Scotland) whether or not the same are effectively charged pursuant to paragraphs 1.1 and 1.2 above.
2. The Security Trustee may at any time by notice in writing to the Company convert the floating charge created by the Debenture into a fixed charge in respect of any asset specified in the notice which the Security Trustee (acting reasonably) believes is in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise be in jeopardy and the Company will immediately at its own cost execute a fixed charge over the specified assets in favour of the Security Trustee in such form as may be reasonably required.

3. The floating charge created by this Debenture shall (other than in respect of any of the Assets situated in Scotland if and to the extent that a Receiver would not be capable of exercising his powers in Scotland in relation thereto under Section 72 of the Insolvency Act 1986 by reason of automatic conversion) immediately convert into a fixed charge in respect of:-
- 3.1 any Asset which shall without the prior written consent of the Security Trustee become subject to a fixed charge in favour of any person other than the Security Trustee;
- 3.2 any Asset in respect of which any person shall levy, or attempt to levy, any distress, execution, sequestration or other similar process;
- 3.3 all Assets if the Company ceases to carry on business or if a petition is presented to wind the Company up or if a meeting of members is convened to consider a resolution to wind the Company up.

Definitions

“Assets”	means the whole of the property, assets and undertaking of the Company subject to the charges contained in Clause 3 of the Debenture;
“Facility Agreement”	means the facility agreement dated 11 August 2004 among inter alia Island Hospitality Ventures Limited (company number SC268072) (“IHVL”) 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 IHVL;
“Finance Party”	means The Governor and Company of the Bank of Scotland in its various capacities, including as Security Trustee;
“Intellectual Property Rights”	means any and all intellectual property rights of any nature anywhere in the world whether registered, registrable or otherwise including but not limited to patents, utility models, trademarks, registered designs, semi-conductor topography rights and domain names, applications for any of the foregoing, trade or business names, goodwill, copyright and rights in the nature of copyright, design rights, rights into databases, moral rights, know how and any other intellectual property rights which subsist in computer software, computer programs, websites, documents, information, techniques, business methods, drawings, logos, sketches, instruction manuals, lists and particulars of customers, marketing methods and procedures and advertising and marketing literature;

“Loan Stock Instrument”	means the loan stock instrument executed by IHVL on or around the date of the Debenture constituting the Loan Stock (as defined therein);
“Loan Stockholders”	means the “Stockholders” as defined in the Loan Stock Instrument.
“Permitted Security Rights” means:-	<p>means:- (a) liens and rights of set-off securing obligations which are not overdue beyond their standard payment dates, arising by operation of law in the ordinary and usual course of trading;</p> <p>(b) Security Rights arising out of title retention provisions in a supplier’s standard conditions of supply of goods acquired in the ordinary and usual course of trading; or</p> <p>(c) Security Rights granted in terms of the Finance Documents.</p>
“Receiver”	includes any person or persons appointed (and any additional person or persons appointed or substituted) as a receiver and manager or a receiver by the Security Trustee under the Debenture and shall include joint Receivers;
“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;
“Security Right”	means any mortgage, charge, security pledge, lien, right of set off or right to retention of title or other security right whether fixed or floating over any present or future property, assets or undertaking.

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, OR TO BECOME DUE

in favour of

THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND AS
SECURITY TRUSTEE

was delivered pursuant to section 410 of the Companies Act, 1985,
on 23 MARCH 2005 given at Companies House, Edinburgh
30 MARCH 2005



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

