

MR01

Particulars of a charge

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Laserform

A fee is payable with this form.  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

✓ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

✗ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument Use form MR01

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form scanned and placed on the public record **Do not send the original**



LD2 12/01/2016 #67  
COMPANIES HOUSE

TUESDAY

**1 Company details**

Company number 00038487  
Company name in full Porthminster Hotel Company Limited

00114 For official use

→ **Filing in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 03/01/2015

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name The Royal Bank of Scotland plc as security agent  
and security trustee for the Secured Parties (as  
defined in the accompanying copy instrument)

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

MR01

Particulars of a charge

<b>4</b>	<b>Brief description</b>	
	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"  Please limit the description to the available space
Brief description	All present and future freehold or leasehold land including the leasehold land known as St Ives Harbour Hotel, The Terrace, St Ives, Cornwall TR26 2BN (title number CL292671) as defined in and pursuant to clause 3 2 and Schedule 2 and all Intellectual Property as defined in and pursuant to clause 3 10 of the accompanying copy instrument	
<b>5</b>	<b>Other charge or fixed security</b>	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>6</b>	<b>Floating charge</b>	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to <b>Section 7</b>  Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
<b>7</b>	<b>Negative Pledge</b>	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>8</b>	<b>Trustee statement ①</b>	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06)
<b>9</b>	<b>Signature</b>	
	Please sign the form here	
Signature	Signature  X <i>Simmons &amp; Simmons LLP</i> 12.01.16 X  This form must be signed by a person with an interest in the charge	

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Amanda Gardam - 003079-01000

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode EC2Y 9SS

Country

DX DX Box No 12 Chancery Lane London

Telephone 020 7825 4815



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following**

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



### Important information

Please note that all information on this form will appear on the public record.



### How to pay

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper**

Make cheques or postal orders payable to 'Companies House'



### Where to send

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below**

**For companies registered in England and Wales.**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland:**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



FILE COPY

## CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 38487

Charge code: 0003 8487 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th December 2015 and created by PORTHMINSTER HOTEL COMPANY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th January 2016

Given at Companies House, Cardiff on 14th January 2016

*(Handwritten signature/initials)*



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Dated 30 December 2015

**EXECUTION VERSION**

# Security Agreement

between

The Persons listed in Schedule 1  
as the Chargors

and

The Royal Bank of Scotland plc  
as the Security Agent

relating to

a £86,000,000 term and revolving credit facilities agreement for the Harbour Hotels Group

WE CERTIFY THAT, SAVE FOR THE MATERIAL REDACTED PURSUANT TO s 859G OF THE COMPANIES ACT 2006, THIS COPY INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.

*Simmons & Simmons LLP*  
Signed (firm name)

*CKB*  
Initials of Signatory

*12.01.16*  
Dated (DD/MM/YY)

**Simmons & Simmons**

Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS United Kingdom  
T +44 20 7628 2020 F +44 20 7628 2070 DX Box No 12

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**THIS DEED** is dated

30 December 2015

and made

**BETWEEN:**

- (1) **THE PERSONS** listed in Schedule 1 (*Original Chargors*) as chargors (the "**Original Chargors**"), and
- (2) **THE ROYAL BANK OF SCOTLAND PLC** (the "**Security Agent**" which expression includes its permitted successors and assigns as security agent and security trustee for the Secured Parties)

**BACKGROUND:**

- (A) Each Chargor is entering into this Deed in connection with the Finance Documents
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand

**IT IS AGREED** as follows

**1 Interpretation**

**1.1 Definitions**

In this Deed terms defined in the Facilities Agreement have the same meaning unless given a different meaning in this Deed and

"**Account**" means the bank accounts of the Chargors from time to time including those detailed in Schedule 8 (*Bank Accounts*)

"**Additional Chargor**" means a person who becomes a Chargor by executing a Deed of Accession

"**Assigned Contract**" means each contract detailed in Clause 3.3 (*Contracts*).

"**Charged Property**" means all of the assets of each Chargor which from time to time are, or are expressed to be, subject to the Transaction Security

"**Chargor**" means an Original Chargor or any Additional Chargor

"**Deed of Accession**" means a document substantially in the form of Schedule 11 (*Form of Deed of Accession*)

"**Delegate**" means any delegate or sub delegate appointed under Clause 21 (*Delegation*).

"**Enforcement Event**" means the occurrence of an Event of Default which is continuing

"**Facilities Agreement**" means the facilities agreement dated on or about the date hereof and made between, amongst others, Harbour Hotels Group Limited as the Borrower, The Royal Bank of Scotland plc as agent for National Westminster Bank plc as Arranger, The Royal Bank of Scotland plc as Agent and Security Agent and National Westminster Bank plc as the Original Lender, as amended, restated or novated from time to time



**"Insurances"** means any contract of insurance required under clause 23.9 (*Insurances*) of the Facilities Agreement and any and all rights in respect of all contracts or policies of insurance taken out by any of the Chargors or on their behalf

**"Investments"** means the existing or future interest of the Chargors in

- (A) any securities or investments of any kind, including shares, stocks, debentures, bonds, units, depository receipts, notes, commercial paper, certificates of deposit or any form of loan or other capital of or in any legal entity,
- (B) any warrant, option or other right to subscribe for, purchase or otherwise acquire any such security or investment, and
- (C) without limitation to paragraph (A) above, all the issued share capital of each Chargor (save in respect of the Original Borrower) as set out in Schedule 3 (*Investments*)

In each case, including any income, offer, right or benefit in respect of any such investment

**"Lease Document"** means

- (A) an Agreement for Lease,
- (B) an Occupational Lease, or
- (C) any other document designated as such by the Agent, the Security Agent and the Borrower

**"LPA"** means the Law of Property Act 1925

**"Mortgaged Property"** means any freehold or leasehold property included in the definition of Charged Property

**"Original Borrower"** means Harbour Hotels Group Limited

**"Party"** means a party to this Deed

**"Related Assets"** means

- (A) all dividends, interest and other moneys payable in respect of the Investments,
- (B) any right, money or property accruing or offered at any time in relation to the Investments by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise,
- (C) any right against any clearance system in relation to the Investments, and
- (D) any right under any custodian or other agreement in relation to the Investments

**"Related Rights"** means, in relation to any asset

- (A) the proceeds of sale of any part of that asset,
- (B) all rights under any licence, agreement for sale or agreement for lease in respect of

that asset,

- (C) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset,
- (D) all monies and proceeds paid or payable in respect of that asset,
- (E) in relation to a property, each and every part of that property, including the land, cellars, eaves, buildings, structures, fixtures and fittings (including such trade fixtures and fittings, plant and machinery, furniture, furnishings, equipment and chattels (including any manuals in relation to the same) in which a Chargor has an interest) now or in the future on that property and all easements and other rights attaching to that property, and
- (F) in relation to a property, the benefit of any covenants or warranties in respect of that property or any moneys paid or payable in respect of those covenants or warranties,

including all rights against any trustee, nominee, fiduciary or clearing system

**"Rental Income"** means the aggregate of all amounts paid or payable to or for the account of any Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of a Property, including, without limitation, each of the following amounts

- (A) rent, licence fees and equivalent amounts paid or payable,
- (B) any amount received or receivable from any deposit held as security for performance of a tenant's obligations,
- € any amount equal to any apportionment of rent allowed in favour of any Chargor,
- (D) any other amount paid or payable in respect of occupation and/or usage of that Property or part of that Property or any fixture or fitting on that Property including any fixture or fitting on that Property or part of that Property for display or advertisement, on licence or otherwise,
- € any amount paid or payable under any policy of insurance in respect of loss of rent or interest on rent,
- (F) any amount paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, variation or extension of any Lease Document,
- (G) any amount paid or payable in respect of a breach of covenant or dilapidations under any Lease Document,
- (H) any amount paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document, and
- (J) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any amount referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by any Chargor

**"Secured Liabilities"** means all present and future obligations and liabilities due owing or incurred (whether actual or contingent and whether due, arising or incurred jointly or severally or in any other capacity whatsoever) by the Transaction Obligors to any Secured Party under any 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 irrevocably paid in full and that all facilities which give rise to any Secured Liabilities have been terminated

## **1 2 Construction**

- (A) Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument
- (B) The other provisions of clause 1 2 (*Construction*) of the Facilities Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) Unless a contrary indication appears, a reference in this Deed to **"Charged Property"** includes any part of that Charged Property and the proceeds of that Charged Property
- (D) Each of the undertakings given by a Chargor in this Deed remain in force from the date of this Deed (or, if it becomes a Party later, the date it becomes a Party) until the end of the Security Period
- (E) Each representation and warranty expressed to be made by a Chargor in this Deed is made by a Chargor on the date of this Deed (or, if it becomes a Party later, the date it becomes a Party) and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing

## **1 3 Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

## **1 4 Third party rights**

- (A) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or enjoy the benefit of any term of this Deed
- (B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time
- (C) Any Receiver, Delegate, Finance Party or any officer, employee or agent of such Receiver, Delegate or Finance Party may, subject to this Clause 1 4 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it

## **1 5 Related Rights**

A reference in this Deed to any Security Asset includes all Related Rights in respect of that Security Asset and a reference in this Deed to any mortgage, charge or assignment of any Security Asset shall include all Related Rights in respect of that Security Asset

## **1 6 Conflict of Terms**

To the extent that there is any conflict and/or contradiction and/or inconsistency between the terms of this Deed and the terms of the Facilities Agreement, the terms of the Facilities Agreement shall prevail and in such circumstances compliance with the terms of the Facilities Agreement shall be deemed to be compliance in full with the conflicting and/or contradictory and/or inconsistent terms of this Deed

## **2 Covenant to pay**

Each Chargor shall pay each of the Secured Liabilities when due or if they do not specify a time, on demand

## **3 Creation of Security**

### **3 1 Security generally**

All the Transaction Security

- (A) is created in favour of the Security Agent,
- (B) is created over the 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

### **3 2 Land**

(A) Each Chargor charges

- (1) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property, including the freehold or leasehold property (if any) specified in Schedule 2 (*Mortgaged Property*), and
- (2) (to the extent that they are not the subject of a legal mortgage under Clause 3 2(A)(1)) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property,

for the avoidance of doubt, specifically excluding all land registered under title number SH38895, being the land at Upper Froyle, Alton owned by Froyle Harbour Hotel Limited

- (B) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes
- (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
  - (2) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants

### **3 3 Contracts**

- (A) Each Chargor assigns absolutely to the Security Agent all of its rights and interests
- (1) under any contracts specified in Schedule 4Schedule 6 (*Assigned Contracts*) to which it is a party, and
  - (2) under any other contract designated as such by the Security Agent and the relevant Chargor
- (B) To the extent that any such right described in Clause 3 3(A) is not capable of assignment, the assignment of that right purported to be effected by Clause 3 3(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which each Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under Clauses 3 3(A) and 3 3(B), each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) If a Chargor assigns an agreement or document under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
- (1) that Chargor must notify the Security Agent immediately upon becoming aware of such breach,
  - (2) unless the Security Agent otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable, and
  - (3) that Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

### **3 4 Investments**

Each Chargor charges by way of a first fixed charge all of its rights and interests in its Investments on and from completion of the Reorganisation

### **3 5 Lease Documents and Rental Income**

Each Chargor assigns absolutely to the Security Agent all of its rights and interests in and to each Lease Document to which it is a party (including all Rental Income and any guarantee of Rental Income contained in or relating to any such Lease Document)

### **3 6 Bank accounts**

Each Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Account it has in its name (or to which it is beneficially entitled) with any person and the debt represented by such Account

### **3 7 Book debts etc.**

Each Chargor charges by way of a first fixed charge

- (A) all of its book and other debts,
- (B) all other moneys due and owing to it, and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under Clause 3 7(A) and Clause 3 7(B)

### **3 8 Insurances**

- (A) Each Chargor assigns absolutely to the Security Agent
  - (1) all of its rights in respect of its Insurances, and
  - (2) all monies payable and all monies paid to it under or in respect of all such Insurances
- (B) To the extent that any such right described in Clause 3 8(A) is not capable of assignment, the assignment of that right purported to be effected by Clause 3 8(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under Clause 3 8(A) or 3 8(B), each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party

### **3 9 Plant and machinery**

Each Chargor charges by way of a first fixed charge all fixed and moveable plant and machinery owned by it (including any specified in Schedule 4 (*Plant and Machinery*)), its interest in any plant or machinery in its possession and the benefit of all related Authorisations, agreements and warranties

### **3 10 Intellectual Property**

Each Chargor charges by way of first fixed charge all its Intellectual Property (including any specified in Schedule 5 (*Intellectual Property*))

### **3 11 Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all Authorisations and Licences held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation or Licence

### **3 12 Goodwill**

Each Chargor charges by way of first fixed charge its goodwill

### **3 13 Uncalled capital**

Each Chargor charges by way of first fixed charge its uncalled capital

### **3 14 Causes of action**

Each Chargor assigns absolutely to the Security Agent all of its rights in respect of all causes of action and other rights and remedies in which it has an interest, including, without limitation, any VAT recoveries

### **3 15 Floating charge**

- (A) Each Chargor charges by way of first floating charge its undertaking and assets, both present and future not otherwise effectively mortgaged or charged under this Deed
- (B) The floating charge created by each Chargor pursuant to Clause 3 15(A) is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Agent may appoint an administrator to a Chargor pursuant to that paragraph
- (D) The Security Agent may convert the floating charge created by this Deed over all or any of the Charged Property into a fixed charge by notice to the relevant Chargor specifying the relevant Charged Property (either specifically or generally)
  - (1) upon the occurrence of an Enforcement Event, and/or
  - (2) if the Security Agent considers (acting reasonably) those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
  - (1) a Chargor takes any step to create any Security in breach of Clause 6 1 (Security) over any of the Charged Property not subject to a mortgage or fixed charge,
  - (2) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator in respect of a Chargor; or

- (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,

the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge

#### **4 Continuing Security**

##### **4.1 Continuing Security**

The Transaction 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

##### **4.2 Additional security**

The Transaction Security

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by the Security Agent, and
- (B) may be enforced against a Chargor without having recourse to any other rights of the Security Agent

#### **5 Further assurance**

- (A) The Chargors shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))
- (1) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to the Finance Documents or by law,
- (2) to confer on the Security Agent, Security over any property and assets of the Chargors located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed, and/or
- (3) to facilitate, in circumstances where the Security created under this Deed has become enforceable, the realisation of the assets which are, or are intended to be, the subject of the Transaction Security
- (B) The Chargors shall, upon request by the Security Agent, promptly (but in any case within 5 Business Days of the request) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed



## **6 Restrictions on dealing**

### **6 1 Security**

No Chargor shall create or permit to subsist any Security over its Charged Property, except as permitted by the Facilities Agreement

### **6 2 Disposals**

No Chargor shall (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of its Charged Property except as permitted by the Facilities Agreement

## **7 Investments**

### **7 1 Investments**

Each Chargor, on behalf of itself only, represents and warrants to the Security Agent (for the benefit of each Finance Party) on the date of this Deed that

- (A) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right,
- (B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of any of the Investments on creation or the enforcement of the Security created by or expressed to be created by this Deed to the extent permitted by law,
- (C) it is the sole legal and beneficial owner of its Investments,
- (D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion), and
- (E) its Investments are the entire issued share capital of the issuer of each of the Investments

### **7 2 Certificated Investments and Related Assets**

Each Chargor shall, on the date of this Deed, to the extent applicable

- (A) immediately deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Investments and/or the Related Assets, and
- (B) promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to the Investments and/or the Related Assets, this includes
  - (1) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers and any other relevant transfer instruments in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent

so directs, with the transferee left blank, and

- (2) delivering any share certificates or other document of title or evidence of ownership in the name of the transferee to the Security Agent

### **7.3 Changes to rights**

Each Chargor shall not take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further shares being issued

### **7.4 Calls**

- (A) Each Chargor shall in accordance with its obligations under the Investments pay all calls or other payments due and payable, in respect of its Investments
- (B) If a Chargor fails to comply with clause 7.4(A) above after being requested to do so by the Security Agent, the Security Agent may pay the calls or other payments in respect of any Investment on behalf of that Chargor
- (C) Each Chargor shall within three Business Days of request reimburse the Security Agent for any payment made by the Security Agent under this clause 7.4, together with default interest charged in accordance with default interest provisions of the Facilities Agreement

### **7.5 Voting rights before an Enforcement Event**

- (A) Subject to clause 7.6 (*Voting rights after an Enforcement Event*), each Chargor may continue to exercise all voting rights, powers and other rights in respect of its Investments provided that Chargor shall not exercise such voting rights in any manner, or otherwise permit or agree to any
  - (1) variation of the rights attaching to or conferred by all or some of its Investments, which would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Deed,
  - (2) increase in the issued share capital of the issuer of such Investments, which would prejudice the value of, or the ability of the Security Agent to realise the Security created by this Deed
- (B) If the relevant Investments have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the relevant Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Agent (or that nominee) will execute any form of proxy or other document which the relevant Chargor may reasonably require for this purpose
- (C) Subject to clause 7.6 (*Voting rights after an Enforcement Event*), all dividends or other income or distributions paid or payable in relation to the Investments shall be paid to the relevant Chargor

### **7.6 Voting rights after an Enforcement Event**

- (A) Following the occurrence of an Enforcement Event, the Security Agent or its

nominee may exercise or refrain from exercising

- (1) any voting rights, and
- (2) any other 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,

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of that Chargor and irrespective of any direction given by that Chargor

- (B) Following the occurrence of an Enforcement Event and to the extent that the Investments remain registered in the name of the relevant Chargor, that Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments in any way it sees fit
- (C) Following the occurrence of an Enforcement Event, the relevant Chargor shall indemnify the Security Agent against any loss or liability properly incurred by the Security Agent as a direct consequence of the Security Agent acting in respect of Investments on the direction of that Chargor

## **8     Land**

### **8 1     The Land Registry**

In the case of a Chargor's existing freehold or leasehold property, that Chargor shall

- (A) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed,
- (B) promptly submit to the Land Registry the duly completed form RX1 requesting a restriction in the form specified by the Security Agent to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed,
- (C) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and
- (D) promptly pay all appropriate registration fees

### **8 2     Acquisitions**

- (A) If a Chargor acquires any freehold or leasehold property after the date of this Deed it shall (subject to Clause (B)8 2(B))
  - (1) notify the Security Agent immediately,
  - (2) immediately on request by the Security Agent and at the cost of the relevant Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that freehold or leasehold property in any form which the Security Agent may require together with such constitutional documents, corporate authorisations and other matters as the Security Agent may require

to verify that such document constitutes that Chargor's legal, valid, binding and enforceable obligations,

- (3) if title to that freehold or leasehold property is registered at the Land Registry or is required to be so registered, promptly and in any event within any applicable priority period, apply to the Land Registry
  - (a) for first registration of that freehold or leasehold property (where that freehold or leasehold property is not already registered at the Land Registry) and registration of that Chargor as the registered proprietor of that freehold or leasehold property,
  - (b) to register the Security created or expressed to be created by this Deed or any document entered into pursuant to Clause 8 2(A)(2),
  - (c) submit to the Land Registry a duly completed form RX1 requesting a restriction in the form specified by the Security Agent to be entered on the register of title for that freehold or leasehold property,
  - (d) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and
  - (e) promptly pay all appropriate registration fees
- (B) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent

### **8 3 Deposit of title deeds**

Each Chargor shall deposit with the Security Agent, within 25 Business Days of the date of this Deed (or if earlier, within 5 Business Days of receipt thereof), all deeds and documents of title relating to any Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of that Chargor

### **8 4 Investigation of title**

Each Chargor shall grant the Security Agent or its lawyers on request all facilities within its power to enable the Security Agent or its lawyers (at the expense of the relevant Chargor) to

- (A) carry out investigations of title to any Mortgaged Property, and
- (B) make such enquiries in relation to any part of any Mortgaged Property as a prudent mortgagee might carry out

### **8 5 Title Information Document**

On completion of the registration of any Security in respect of its Mortgaged Property, each Chargor shall promptly supply to the Security Agent a certified copy of the title information document issued by the Land Registry

## **8 6 Power to remedy**

Each Chargor shall, following receipt of written notice from the Security Agent, permit the Security Agent and/or any of its representatives, agents or contractors, when the Security Agent believes that a Default has occurred or might reasonably be expected to occur, to enter any Mortgaged Property and to take any steps which it believes necessary in relation to that Mortgaged Property. Each Chargor shall promptly, following demand by the Security Agent, pay the costs and expenses of the Security Agent, its representatives, agents or contractors reasonably incurred in connection with any action taken under this Clause 8 6

## **8 7 Notice of charge or assignment**

- (A) Each Chargor shall immediately following an Enforcement Event serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each tenant of any Mortgaged Property
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in Clause 8 7(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

## **9 Intellectual property**

### **9 1 Representations**

Each Chargor represents and warrants to the Security Agent that

- (A) it is the sole legal and beneficial owner of or has licensed to it all Intellectual Property which is material to its business and which is required by it in order to carry on its business as it is being conducted, and
- (B) it has taken all formal or procedural actions (including payment of fees) required to maintain any Intellectual Property owned by it which is material to its business

### **9 2 Preservation**

- (A) Each Chargor shall
  - (1) preserve and maintain the subsistence and validity of the Intellectual Property which is material to its business,
  - (2) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property which is material to its business,
  - (3) make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property which is material to its business in full force and effect and record its interest in that Intellectual Property,
  - (4) not use or permit its Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of its Intellectual Property which is material to its business or imperil its right to use such property, and

- (5) not discontinue the use of the Intellectual Property which is material to its business,

where failure to do so, in the case of Clauses 9 2(A)(1) or 9 2(A)(2), or in the case of Clauses 9 2(A)(4) or 9 2(A)(5), such use, permission to use, omission or discontinuation, is reasonably likely to have a Material Adverse Effect

- (B) Each Chargor shall promptly, if requested to do so by the Security Agent, sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed

## 10 **Book debts**

- (A) Each Chargor shall get in and realise its

- (1) securities to the extent held by way of temporary investment,
- (2) book and other debts and other moneys owed to it, and
- (3) royalties, fees and income of any nature owed to it,

in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with Clause 10(B) below but subject always to the Security created by or expressed to be created by this Deed) on trust for the Security Agent

- (B) Each Chargor shall, except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation into the account designated from time to time by the Security Agent

## 11 **Bank accounts**

### 11 1 **Restrictions on accounts**

No Chargor shall have any bank accounts other than the Accounts

### 11 2 **Withdrawals from accounts**

- (A) Upon an Enforcement Event and if so directed by the Security Agent, no Chargor shall withdraw any moneys (including interest) standing to the credit of any of its accounts other than with the prior consent of the Security Agent
- (B) Following an Enforcement Event, the Security Agent (or a Receiver) may withdraw amounts standing to the credit of any Account

### 11 3 **Notices of charge**

- (A) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in Schedule 9 (*Notice to Bank holding an Account*), on each bank or financial institution at which a Chargor maintains any of its accounts

- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in Clause 11 3(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the Schedule 9 (*Notice to Bank holding an Account*)

## 12 **Contracts**

### 12 1 **Representations**

Each Chargor represents and warrants to the Security Agent that

- (A) all payments to it by any other party to any of its Assigned Contracts are not subject to any right of set-off or similar right other than any right of set-off which may be mandatorily imposed by law,
- (B) subject to the Legal Reservations, each of its Assigned Contracts is its legally binding and enforceable obligation,
- (C) it is not in default of any of its material obligations under any of its Assigned Contracts,
- (D) there is no prohibition on assignment in any of its Assigned Contracts, and
- (E) its entry into and performance of this Deed will not conflict with any term of any of its Assigned Contracts

### 12 2 **Documents**

Each Chargor shall promptly deliver to the Security Agent executed originals of all Assigned Contracts as now in effect and as requested by the Security Agent and shall promptly deliver such other documents relating to the Assigned Contracts as the Security Agent reasonably requires

### 12 3 **No variation etc.**

No Chargor shall (unless otherwise permitted or required under a Finance Document)

- (A) materially amend, vary or waive (or agree to amend, vary or waive) any provision of any of its Assigned Contracts, exercise any right to rescind, cancel or terminate any of its Assigned Contracts or release any counterparty from any obligations under any of its Assigned Contracts,
- (B) waive any breach by any counterparty to an Assigned Contract to which it is a party or consent to any act or omission which would otherwise constitute a breach of an Assigned Contract to which it is a party, or
- (C) novate, transfer or assign any of its rights under any Assigned Contract to which it is a party

### 12 4 **Breach**

Each Chargor shall notify the Security Agent of any breach of or default under its Assigned Contracts by it or any other party to the same and any right of it or such other party arising to terminate or rescind such Assigned Contracts promptly on becoming aware of the same

## **12 5 Information**

Each Chargor shall promptly provide the Security Agent with any information it reasonably requires in relation to any Assigned Contract to which it is a party

## **12 6 Rights**

- (A) Subject to the rights of the Security Agent under Clause 12 6(B), each Chargor must diligently pursue its rights under each of its Assigned Contracts, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default
- (B) Upon the occurrence of an Enforcement Event, the Security Agent may exercise (without any further consent or authority on the part of the Chargors and irrespective of any direction given by the Chargors) any of the Chargors' rights under its Assigned Contracts

## **12 7 Notices of charge or assignment**

- (A) The Chargor shall in respect of Assigned Contracts immediately following an Enforcement Event serve a notice of charge or assignment, substantially in the applicable form as set out in the Schedule 7 (*Notice to Counterparty to Assigned Contract*), on each counterparty to an Assigned Contract
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in Clause 12 7(A) acknowledges receipt of that notice, substantially in the applicable form as set out in Schedule 7 (*Notice to Counterparty to Assigned Contract*)

## **13 Plant and machinery**

### **13 1 Maintenance**

Each Chargor shall keep its plant and machinery in good repair and in good working order and condition

### **13 2 Nameplates**

Each Chargor shall take any action which the Security Agent may reasonably require to evidence the interest of the Security Agent in its plant and machinery

Upon a Default, or upon earlier request (acting reasonably), this includes the ability of the Security Agent to require the fixing of a nameplate on its plant and machinery in a prominent position stating that

- (A) the plant and machinery is charged in favour of the Security Agent, and
- (B) the plant and machinery must not be disposed of without the prior consent of the Security Agent



## **14 Insurances**

### **14 1 Rights**

- (A) The Security Agent may exercise (without any further consent or authority on the part of a Chargor and irrespective of any direction given by any Chargor) any of the rights of a Chargor in connection with any amounts payable to it under any of its Insurances in accordance with the terms of the Facilities Agreement
- (B) The Chargor must take such steps (at its own cost) as the Security Agent may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor
- (C) Each Chargor must hold any payment received by it under any Insurance taken out by it or on its behalf or in which it has an interest in accordance with the terms of the Facilities Agreement

### **14 2 Notices of charge or assignment**

- (A) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in Schedule 10 (*Notice to Insurers*), on each of its insurers
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in Clause 14 2(A) acknowledges receipt of that notice, substantially in the applicable form as set out in Schedule 10 (*Notice to Insurers*)

## **15 Representations**

Each Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that

- (A) this Deed
  - (1) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have,
  - (2) is not subject to any prior or pari passu ranking Security, and
  - (3) is not liable to be avoided or set aside on its liquidation, administration or otherwise, and
- (B) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed

## **16 Enforcement**

### **16 1 When enforceable**

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs

## **16 2 Power of sale**

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed

## **16 3 Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

## **16 4 Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

## **16 5 No liability as mortgagee in possession**

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

## **16 6 Privileges**

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (restricting the power of sale) does not apply

## **16 7 No duty to enquire**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable,
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or
- (D) as to the application of any money borrowed or raised

## **16 8 Protection to purchasers**

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc ) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate

## **16 9 Financial collateral arrangements**

- (A) To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations")) apply to any Charged Property the Security Agent shall have the right to appropriate any Charged Property which constitutes

"financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities

- (B) The value of any Charged Property appropriated in accordance with this Clause 16.9 shall be, in the case of cash, the amount of the cash appropriated
- (C) Each Chargor agrees that the method of valuation provided for in this Clause 16 is commercially reasonable for the purposes of the Regulations

## **17 Receiver**

### **17.1 Appointment of receiver**

- (A) The Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if
  - (1) an Enforcement Event occurs, or
  - (2) requested to do so by the relevant Chargor
- (B) Any appointment under Clause 17.1(A) may be by deed, under seal or in writing under hand

### **17.2 Removal**

The Security Agent may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated

### **17.3 Remuneration**

The Security Agent may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply

### **17.4 Agent of Chargor**

- (A) Any Receiver will be deemed to be the agent of the relevant Chargor for all purposes. Each Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver
- (B) The Security Agent will not incur any liability (either to the relevant Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons

### **17.5 Security Agent's rights**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property

## **18 Powers of Receiver**

### **18.1 General**

- (A) A Receiver has all of the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver under the LPA and a receiver or an administrative receiver under the Insolvency Act 1986
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver

### **18.2 Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property

### **18.3 Carry on business**

A Receiver may carry on the business of the relevant Chargor in any manner he thinks fit

### **18.4 Employees**

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

### **18.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Charged Property either in priority to the Security created by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit

### **18.6 Sale of assets**

- (A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit
- (B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit
- (C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the property containing them without the consent of a Chargor

### **18.7 Leases**

A Receiver may let any Charged Property for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any

Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender)

**18 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 the Chargors or relating in any way to any Charged Property

**18 9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit

**18 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 Charged Property

**18 11 Subsidiaries**

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Charged Property

**18 12 Delegation**

A Receiver may delegate his powers in accordance with this Deed

**18 13 Lending**

A Receiver may lend money or advance credit to any customer of the Chargor

**18 14 Protection of assets**

A Receiver may

- (A) effect any repair or insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property,
- (B) commence and/or complete any building operation, and
- (C) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit

**18 15 Other powers**

A Receiver may

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law,

(B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property, and

(C) use the name of a Chargor for any of the above purposes

## **19 Power of attorney**

### **19 1 Appointment**

Each Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit

(A) to do anything which that Chargor is obliged to do under any Finance Document but which that Chargor has not done, and

(B) following an Enforcement Event, to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986

### **19 2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause

## **20 Tacking**

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

## **21 Delegation**

### **21 1 Delegate and sub-delegates**

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed

### **21 2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit

### **21 3 Liability**

Neither the Security Agent nor any Receiver will be in any way liable or responsible to a Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

## **22 Preservation of security**

### **22 1 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of a Chargor or any security for those obligations or otherwise) is made by Security Agent in

whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred

## **22 2 Waiver of defences**

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 22 2, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Security Agent) including

- (A) any time, waiver or consent granted to, or composition with, any Chargor or any other person,
- (B) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor of any other person or member of the Group,
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person,
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings

## **22 3 Immediate recourse**

Each Chargor waives any right it may have of first requiring the Security Agent (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary

## **22 4 Appropriations**

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, the Security Agent (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same, and

- (B) hold in an interest-bearing suspense account any moneys received from a Chargor or on account of a Chargor's liability under this Deed

## **22 5 Deferral of Chargor's rights**

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed

- (A) to be indemnified by a Chargor or any other person,
- (B) to claim any contribution from any other guarantor of any Chargor's obligations under the Finance Documents,
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under any other Finance Document,
- (E) to exercise any right of set-off against any Chargor or any other person, and/or
- (F) to claim or prove as a creditor of any other person in competition with the Security Agent

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Security Agent and shall promptly pay or transfer the same to the Finance Parties or as the Security Agent may direct for application in accordance with clause 31 (*Payment mechanics*) of the Facilities Agreement

## **23 Enforcement expenses**

### **23 1 Enforcement expenses**

The Chargors shall, within three Business Days of demand, pay to the Lender the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Agent, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights

### **23 2 Value added tax**

Clause 13 7 (VAT) of the Facilities Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes



### **23 3 Deed of Accession**

Each Chargor irrevocably authorises the Original Borrower to agree to and sign any duly completed Deed of Accession as agent and attorney for and on behalf of such Additional Chargor

## **24 Changes to the Parties**

### **24 1 Assignments and transfer by the Chargor**

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed

### **24 2 Assignment and transfer by the Security Agent**

The Security Agent may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facilities Agreement

## **25 Payments**

### **25 1 Payments**

All payments by the Chargors under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct

### **25 2 Continuation of accounts**

- (A) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of a Chargor, the Security Agent may open a new account in the name of that Chargor (whether or not it permits any existing account to continue)
- (B) If the Security Agent does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred
- (C) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities

### **25 3 Order of distributions**

All amounts received or recovered by the Security Agent or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order

- (A) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it,
- (B) second, in or towards payment of the Secured Liabilities in accordance with the terms of the Facilities Agreement, and
- (C) third, in payment of any surplus to the relevant Chargor or other person entitled to it

**25 4 No set-off by the Chargors**

All payments to be made by a Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim

**26 Release of Security**

**26 1 Release**

At the end of the Security Period the Security Agent shall at the request and cost of the Chargors, take whatever action is necessary or desirable to (without recourse or warranty) release and/or reassign the Charged Property from the Security created by or expressed to be created by this Deed (including, as applicable, entering into any reassignment of the Charged Property back to a Chargor)

**26 2 Retention**

If the Security Agent considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid

**27 Counterparts**

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

**28 Governing Law**

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

**29 Enforcement**

**29 1 Jurisdiction**

- (A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "Dispute")
- (B) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (C) This Clause 29 1 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions

**THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.**

**SCHEDULE 1 : ORIGINAL CHARGORS**

<b>Company Name</b>	<b>Jurisdiction of Incorporation</b>	<b>Company Number</b>
Harbour Hotels Group Limited	England and Wales	09462800
Chichester Harbour Hotel Limited	England and Wales	09789590
Froyle Harbour Hotel Limited	England and Wales	08039869
Salcombe Harbour Hotel Limited	England and Wales	07087213
Westcliff Hall (Sidmouth) Limited	England and Wales	00406990
Porthminster Hotel Company Limited	England and Wales	00038487
Kings Harbour Hotel Limited	England and Wales	06876173
Christchurch Restaurants Limited	England and Wales	04360007
Christchurch Hotels Ltd	England and Wales	04521113
Bristol Harbour Hotel Limited	England and Wales	09677406
Bond Street Estates (Brighton) Limited	England and Wales	05538098
Brighton Harbour Hotel Limited	England and Wales	09143024
White Truffle Events Limited	England and Wales	09451006

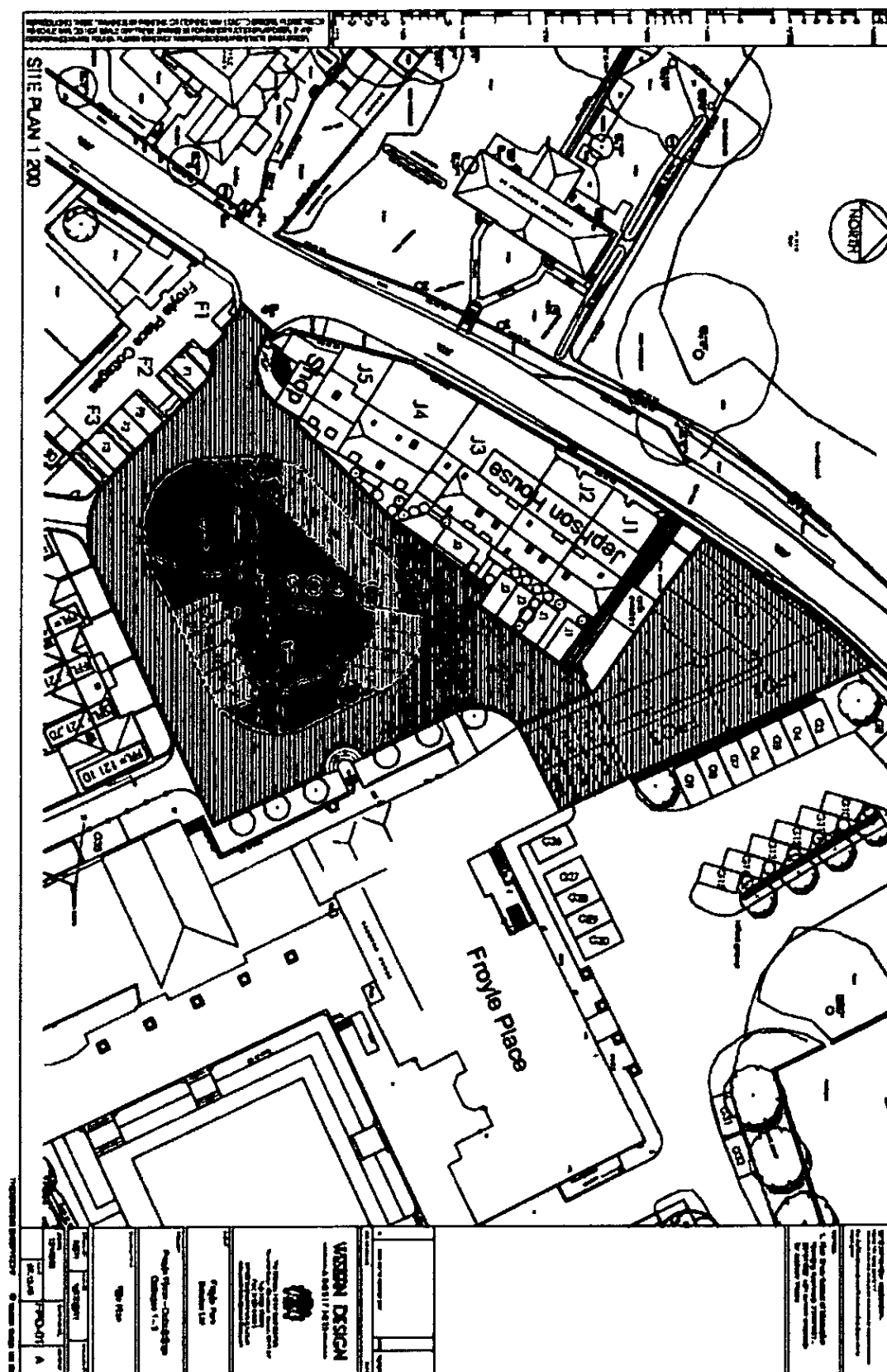
## SCHEDULE 2 : MORTGAGED PROPERTY

No	Property Name	Owner	Property Address	Title Numbers	Tenure
1	Froyle	Froyle Harbour Hotel Limited	Gasston House, Upper Froyle, Alton, Hampshire  (excluding the land identified as being transferred out of that title number as shown edged and hatched red on the plan on the following page)	SH38894	Freehold
2	Brighton	Bond Street Estates (Brighton) Limited	Belgrave Hotel, Kings Road, Brighton	ESX369591 <sup>1</sup>	Leasehold
3	Bristol	Bristol Harbour Hotel Limited	49-51 and 53-55 Corn Street, Bristol, BS1 4HT	BL64911	Freehold
				BL139690	Leasehold
4	Chichester	Chichester Harbour Hotel Limited	The Ship Hotel, North Street, Chichester, West Sussex PO19 1NH	WSX376706 <sup>2</sup>	Leasehold
5	Kings	Kings Harbour Hotel Limited	18 Castle Street, Christchurch BH23 1DT, known as the Kings Arms Hotel	DT395370 and the leasehold title	Freehold
				To be granted out of title no-DT391590 (which is yet to be allocated)	Leasehold
7	St Ives	Porthminster Hotel Company Limited	St Ives Harbour Hotel, The Terrace, St Ives, Cornwall TR26 2BN	CL292671	Leasehold
8	Salcombe	Salcombe Harbour Hotel Limited	Salcombe Harbour Hotel, Cliff Road, Salcombe, Devon TQ8 8JH	DN628395	Leasehold
9	Sidmouth	Westcliff Hall (Sidmouth) Limited	Sidmouth Harbour Hotel, Manor Road, Sidmouth, Devon EX10 8RU	DN626846	Leasehold
10	Christchurch	Christchurch Hotels Limited	Christchurch Harbour Hotel, 95 Mudeford, Christchurch, Dorset BH23 3NT	DT396313	Leasehold

<sup>1</sup> This is a pending title number. The existing title numbers out of which the borrower's interest is to be registered are ESX117100, ESX95031 and ESX26464

<sup>2</sup> Note this is a pending title number, the freehold title numbers out of which the borrower's interest is to be registered are WSX101048, WSX255556 and WSX205362

**Froyle plan:**



### SCHEDULE 3 : INVESTMENTS

3

Name of Shareholder	Name of Company	Number of Shares <sup>4</sup>
Harbour Hotels Group Limited	Chichester Harbour Hotel Limited	1 ordinary share
Harbour Hotels Group Limited	Froyle Harbour Hotel Limited	1 ordinary share
Harbour Hotels Group Limited	Salcombe Harbour Hotel Limited	1 ordinary share
Harbour Hotels Group Limited	Westcliff Hall (Sidmouth) Limited	1 ordinary share
Harbour Hotels Group Limited	Porthminster Hotel Company Limited	100,000 ordinary shares
Harbour Hotels Group Limited	Kings Harbour Hotel Limited	1 ordinary share
Harbour Hotels Group Limited	Christchurch Restaurants Limited	1 ordinary share
Harbour Hotels Group Limited	Christchurch Hotels Limited	402 ordinary shares
Harbour Hotels Group Limited	Bristol Harbour Hotel Limited	1 ordinary share
Brighton Harbour Hotel Limited	Bond Street Estates (Brighton) Limited	100 ordinary shares
Harbour Hotels Group Limited	Brighton Harbour Hotel Limited	1 ordinary share
Harbour Hotels Group Limited	White Truffle Events Limited	1 ordinary share

~~Borrower to provide further detail, currently based on proposed shareholding table~~  
~~To be confirmed with register of members post restructuring~~


## **SCHEDULE 4 : PLANT AND MACHINERY**

*[intentionally blank]*

## SCHEDULE 5 : INTELLECTUAL PROPERTY

5

Chargor	Intellectual Property	Registration Number
Nicolas James Hotels Limited	The word HARBOUR registered in relation to various hotel and restaurant services in Nice Classes 35 and 43, as set out in greater detail in the enclosed extract from the UK Intellectual Property Office ("UK IPO") register	UK02482506
Nicolas James Hotels Limited	The word JETTY registered in relation to restaurant and hospitality services in Nice Class 43, as set out in the enclosed extract from the UK IPO register	UK03061650
Nicolas James Hotels Limited	The words HARBOUR HOTEL registered in relation to various hotel and catering consultancy services in Nice Classes 35 and 43, as set out in greater detail in the enclosed extract from the UK IPO register	UK03081544
Salcombe Harbour Hotel Limited	The Salcombe Harbour Hotel domain, <a href="http://www.salcombe-harbour-hotel.co.uk">www.salcombe-harbour-hotel.co.uk</a>	N/A
Christchurch Harbour Hotel Ltd	The Christchurch Harbour Hotel domain, <a href="http://www.chrstchurch-harbour-hotel.co.uk">http://www.chrstchurch-harbour-hotel.co.uk</a>	N/A
Christchurch Restaurants Limited	The Jetty restaurant domain, <a href="http://www.thejetty.co.uk">http://www.thejetty.co.uk</a>	N/A
Kings Harbour Hotel Limited	The Kings Arms Harbour Hotel domain, <a href="http://www.thekings-chrstchurch.co.uk">http://www.thekings-chrstchurch.co.uk</a>	N/A
Westcliff Hall (Sidmouth) Limited	The Sidmouth Harbour Hotel domain, <a href="http://www.sidmouth-harbour-hotel.co.uk">http://www.sidmouth-harbour-hotel.co.uk</a>	N/A
Porthminster Hotel Company Limited	The St Ives Harbour Hotel domain, <a href="http://www.stives-harbour-hotel.co.uk">http://www.stives-harbour-hotel.co.uk</a>	N/A
Froyle Harbour Hotel Limited	The Froyle Park Hotel domain, <a href="http://www.froylepark.co.uk">http://www.froylepark.co.uk</a>	N/A
Bristol Harbour Hotel Limited	The Bristol Harbour Hotel domain, <a href="http://www.bristol-harbour-hotel.co.uk">http://www.bristol-harbour-hotel.co.uk</a>	N/A

 Borrower to provide details




Chichester Harbour Hotel Limited	The Chichester Harbour Hotel domain, <a href="http://www.chichester-harbour-hotel.co.uk">http //www chichester-harbour-hotel co uk</a>	N/A
Brighton Harbour Hotel Limited	The Brighton Harbour Hotel domain, <a href="http://www.brighton-harbour-hotel.co.uk">http //www brighton-harbour-hotel co uk</a>	N/A

## SCHEDULE 6 : ASSIGNED CONTRACTS

6

Date	Parties	Description
12 August 2015	(1) The Trevor Osborne Property Group Limited and (2) Bristol Harbour Hotel Limited	Option Agreement
06 October 2015	(1) UBS Trustees (Jersey) Ltd and UBS TC (Jersey) Ltd acting in the capacity for Pramerica UK Ground Lease Fund and (2) Bond Street Estates (Brighton) Limited	Option Agreement
20 November 2015	(1) UBS Trustees (Jersey) Ltd and UBS TC (Jersey) Ltd acting in the capacity for Pramerica UK Ground Lease Fund (2) Chichester Harbour Hotel Limited	Option Agreement

 ~~Borrower to provide details~~

## SCHEDULE 7 : NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To [Counterparty]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] 2015 between, amongst others [•] as chargor (the "Chargor") and The Royal Bank of Scotland plc as security agent (the "Security Agent"), we have assigned to the Security Agent all of our present and future right, title and interest in and to [*describe agreement*] (the "Agreement")

We will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement. 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 Agreement.

We will be entitled to exercise all of its rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Security Agent to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Agent or as it directs.

Please note that we have agreed not to materially amend, waive or vary any provision of or terminate the Agreement without the prior consent of the Security Agent.

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Agreement (if any) as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•].

For and on behalf of  
[•]  
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Agreement.

For and on behalf of  
[The Counterparty]

Date

# SCHEDULE 8 : BANK ACCOUNTS

7

Chargor	Name of Bank	Sort Code	Account Number	Name of account
SS CHRISTCHURCH HOTELS LIMITED LTD	NatWest	[REDACTED]	[REDACTED]	CHRISTCHURCH HOTELS
PORTHMINSTER HOTEL COMPANY LIMITED	NatWest	[REDACTED]	[REDACTED]	PORTHMINSTER HOTEL COMPANY
WESTCLIFF HALL (SIDMOUTH) LIMITED	NatWest	[REDACTED]	[REDACTED]	WESTCLIFF HALL (SIDMOUTH)
SS CHRISTCHURCH RESTAURANT LIMITED RESTAURANTS	NatWest	[REDACTED]	[REDACTED]	CHRISTCHURCH RESTAURANT
KINGS HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	KINGS HARBOUR HOTEL
SALCOMBE HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	SALCOMBE HARBOUR HOTEL
FROYLE PARK LIMITED	NatWest	[REDACTED]	[REDACTED]	FROYLE PARK
WHITE TRUFFLE EVENTS LIMITED	NatWest	[REDACTED]	[REDACTED]	WHITE TRUFFLE EVENTS
BRISTOL HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	BRISTOL HARBOUR HOTEL
BRIGHTON HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	BRIGHTON HARBOUR HOTEL
CHICHESTER HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	CHICHESTER HARBOUR HOTEL
FROYLE HARBOUR HOTEL LIMITED	NatWest	[REDACTED]	[REDACTED]	FROYLE HARBOUR HOTEL
BOND STREET ESTATES (BRIGHTON) LIMITED	NatWest	[REDACTED]	[REDACTED]	BOND STREET ESTATES (BRIGHTON)

SS Borrower to provide details

## SCHEDULE 9 : NOTICE TO BANK HOLDING AN ACCOUNT

To [Account Bank]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] between, amongst others, [•] as the chargor (the "Chargor") and The Royal Bank of Scotland plc as security agent (the "Security Agent"), we have charged by way of first fixed charge in favour of the Security Agent all of our rights in respect of any amount standing to the credit of any account maintained by us with you at any of your branches (the "Account[s]") and the debts represented by those Account[s]

We irrevocably instruct and authorise you to

- (A) disclose to the Security Agent any information relating to the Account[s] requested from you by the Security Agent,
- (B) comply with the terms of any written notice or instruction relating to the Account[s] received by you from the Security Agent,
- (C) upon receipt of a notice from the Security Agent, hold all sums standing to the credit of the Account[s] to the order of the Security Agent, and
- (D) upon receipt of a notice from the Security Agent, pay or release any sum standing to the credit of the Account[s] in accordance with the written instructions of the Security Agent

[Unless you receive notice from the Security Agent otherwise, we are permitted to withdraw any amount from the Account[s] 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 the Chargor or enquiry by you

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

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Account[s] as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

For and on behalf of  
[•]  
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we

- (A) will accept the instructions contained in the notice and agree to comply with the notice,
- (B) have not received notice of the interest of any third party in the Account[s],
- (C) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account[s], and
- (D) upon receipt of a subsequent written notice from the Security Agent, will not permit any amount to be withdrawn from the Account[s] without the prior written consent of the Security Agent

For and on behalf of  
[insert name of bank holding account]

Date

## SCHEDULE 10 : NOTICE TO INSURERS

To [The Insurers]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] 2015 between amongst others [•] as chargor (the "Chargor") and The Royal Bank of Scotland plc as security agent (the "Security Agent"), we have assigned to the Security Agent all of our present and future right, title and interest in and any contract of insurance taken out with you by or on behalf of us or under which we have a right to claim (the "Insurances")

- 30 All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Security Agent to the contrary, in which event you should make all future payments as then directed by the Security Agent
- 31 Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
- (A) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, or
  - (B) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Security Agent
- 32 This authority and instruction is irrevocable without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

For and on behalf of  
[•]  
as Chargor



[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or notice that any other person claims any rights in respect of the Insurances.

For and on behalf of  
[The Insurer]

Date

## SCHEDULE 11 : FORM OF DEED OF ACCESSION

**THIS DEED** is dated and made

### **BETWEEN:**

- (1) [●], registered in England and Wales (registered number [●]) whose registered office is at [●] (the "Additional Chargor"), and
- (2) **HARBOUR HOTELS GROUP LIMITED**, registered in England and Wales (registered number 09462800) whose registered office is at Flat 5, 6 Upper John Street, London W1F 9HB (the "Original Borrower"),
- (3) **NATIONAL WESTMINSTER BANK PLC**, (the "Security Agent" which expression includes its successors and assigns as security agent and security trustee for the Secured Parties)

### **BACKGROUND:**

- (A) The Original Borrower has entered into a security agreement dated [●] (the "Security Agreement") between the Original Borrower, the Chargors under and as defined in the Security Agreement and the Security Agent
- (B) The Additional Chargor has agreed to enter into this Deed and to become a Chargor under the Security Agreement
- (C) 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

### **2     Interpretation**

- (A) Terms defined in the Security Agreement have the same meaning in this Deed unless given a different meaning in this Deed
- (B) The other provisions of clause 1 2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) This Deed is a Security Document

### **3     Accession**

With effect from the date of this Deed the Additional Chargor

- (A) will become a party to the Security Agreement as an Additional Chargor,
- (B) will make all of the representations and warranties set out in the Security Agreement which are expressed to be made by a Chargor, and
- (C) will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor

## **4      Creation of Security**

### **4 1      Security generally**

All the Security created, or expressed to be created, under this Deed

- (A)    is created in favour of the Security Agent,
- (B)    is created over the present and future assets of the Additional 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

### **4 2      Land**

- (A)    The Additional Chargor charges
  - (1)    by way of a first legal mortgage all estates or interests in its Mortgaged Property and all rights under any licence or other agreement or document which gives the Additional Chargor a right to occupy or use that Mortgaged Property (including any specified in Part 1 of the Schedule (*Mortgaged Property*)),
  - (2)    (to the extent that they are not the subject of a legal mortgage under Clause 3 2(A)(1)) (*Land*) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives the Additional Chargor a right to occupy or use that property, and
  - (3)    all Related Rights in respect of the above

### **4 3      Lease Documents**

The Additional Chargor assigns absolutely to the Security Agent, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities, all of its rights and interests in and to each Lease Document to which it is a party (including all Rental Income and any guarantee of Rental Income contained in or relating to any such Lease Document)

### **4 4      Contracts**

- (A)    The Additional Chargor assigns absolutely to the Security Agent, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities, all of its rights and interests under each Assigned Contract as specified in Part 4 of the Schedule (*Assigned Contracts*)
- (B)    To the extent that any such right described in Clause 4 4(A) (*Contracts*) above is not capable of assignment, the assignment of that right purported to be effected by Clause 3 4(A) (*Contracts*) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Additional Chargor may derive from that right or be awarded or entitled to in respect of that right

- (C) To the extent that they do not fall within any other part of this sub-clause or are not effectively assigned under Clauses 4.4(A) or 4.4(B) (*Contracts*) above, the Additional Chargor charges by way of first fixed charge all of its rights under each such agreement or document to which it is a party
- (D) If the Additional Chargor assigns an agreement or document under this Deed (or charges it) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
  - (1) the Additional Chargor must notify the Security Agent immediately upon becoming so aware,
  - (2) unless the Security Agent otherwise requires, the Additional Chargor shall use reasonable endeavours to obtain the consent as soon as practicable, and
  - (3) the Additional Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

#### **4.5 Intellectual Property**

The Additional Chargor charges by way of first fixed charge all its Intellectual Property including any specified in Part 5 of the Schedule (*Intellectual Property*)

#### **4.6 Accounts**

The Additional Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Account including any specified in Part 6 of the Schedule (*Accounts*)

#### **4.7 Investments**

- (A) The Additional Chargor charges by way of a first fixed charge all of its rights and interests in its Investments (including those specified in Part 2 of the Schedule (*Investments*))
- (B) A reference in this Deed to any mortgage or charge of any Investments includes
  - (1) any dividend or interest paid or payable in relation to it,
  - (2) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
  - (3) any right against any clearance system in relation to it, and
  - (4) any right under any custodian or other agreement in relation to it

#### **4.8 Book debts etc.**

The Additional Chargor charges by way of a first fixed charge

- (A) all of its book and other debts,
- (B) all other monies due and owing to it, and

- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under Clause 4 8(A) and 4 8(B)

#### **4 9 Insurances**

- (A) The Additional Chargor assigns absolutely to the Security Agent, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest and the proceeds payable under any such contract or policy of insurance
- (B) To the extent that any such right described in Clause 4 9(A) (*Insurances*) is not capable of assignment, the assignment of that right purported to be effected by Clause 4 9(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Additional Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this Clause 4 9(C) or are not effectively assigned under Clause 4 9(A) or 4 9(B) (*Insurances*), the Additional Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party, subject to a proviso for re-assignment on redemption

#### **4 10 Plant and Machinery**

The Additional Chargor charges by way of a first fixed charge all the fixed and moveable plant and machinery, its interest in any plant and machinery in its possession (including any specified in Part 3 of the Schedule (*Plant and Machinery*)), and the benefit of all related Authorisations, agreements and warranties

#### **4 11 Authorisations**

The Additional Chargor charges by way of first fixed charge the benefit of all Authorisations and Licences held now or in the future by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation or Licence

#### **4 12 Goodwill**

The Additional Chargor charges by way of first fixed charge its goodwill

#### **4 13 Uncalled capital**

The Additional Chargor charges by way of first fixed charge its uncalled capital

#### **4 14 Causes of action**

The Additional Chargor assigns to the Security Agent by way of security all its rights in respect of all causes of action and other rights and remedies in which it has an interest, in so far as these relate to its business, including, without limitation, any VAT recoveries

#### **4 15 Floating charge**

- (A) The Additional Chargor charges by way of first floating charge its undertaking and assets, both present and future not otherwise effectively mortgaged or charged under this Deed

- (B) The floating charge created by the Additional Chargor pursuant to paragraph (A) is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Agent may appoint an administrator to the Additional Chargor pursuant to that paragraph
- (D) The Security Agent may convert the floating charge created by this Deed over all or any of the Charged Property into a fixed charge by notice to the Additional Chargor specifying the relevant Charged Property (either specifically or generally)
  - (1) while an Event of Default has occurred and is continuing, and/or
  - (2) if the Security Agent acting on the instructions of the Majority Lenders reasonably considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
  - (1) the Additional Chargor takes any step to create any Security in breach of Clause 6.1 (*Security*) of the Security Agreement over any of the Charged Property not subject to a mortgage or fixed charge,
  - (2) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator in respect of the Additional Chargor, or
  - (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,

the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge

## 5 **Negative Pledge**

Without prejudice to the generality of Clause 7 (*Miscellaneous*)

- (A) the Additional Chargor shall not create nor permit to subsist any Security over its Charged Property (except as permitted by the Facilities Agreement),
- (B) the Additional Chargor shall not enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of its Charged Property except as permitted by the Facilities Agreement

## 6 **Consent**

Pursuant to clause 23.3 (*Deed of Accession*) of the Security Agreement, the Original Borrower (as agent for itself and the existing Chargors)

- (A) consents to the accession of the Additional Chargor to the Security Agreement on the terms of this Deed, and

- (B) agrees that the Security Agreement shall, after the date of this Deed, be read and construed as if the Additional Chargor had been named in the Security Agreement as a Chargor

7 **Miscellaneous**

With effect from the date of this Deed

- (A) the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed),
- (B) any reference in the Security Agreement to this Deed and similar phrases will include this Deed and will include a reference to the schedule to this Deed (or relevant part of it),
- (C) any reference in the Security Agreement to "Mortgaged Property" will include any leasehold or freehold property specified in Part 1 of the Schedule (*Mortgaged Property*), and
- (D) the Original Borrower, for itself and as agent for each of the other Chargors under the Security Agreement, agrees to all matters provided for in this Deed

8 **Counterparts**

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

9 **Governing law**

This Deed and any non-contractual obligations and other matters arising from 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

### PART 1: MORTGAGED PROPERTY

Freehold/Leasehold	Title number	Description
[•]	[•]	[•]

### PART 2: INVESTMENTS

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

### PART 3: PLANT AND MACHINERY

Description

[•]

### PART 4: ASSIGNED CONTRACTS

Date	Parties	Description
[•]	[•]	[•]

### PART 5: INTELLECTUAL PROPERTY

Description

[•]

### PART 6: ACCOUNTS

Account number	Sort code	Bank or financial institution
[•]	[•]	[•]



## EXECUTION PAGES - DEED OF ACCESSION

### The Additional Chargor

EXECUTED as a DEED by

[•]

acting by

a Director, in the presence of

)  
)  
)  
)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Signature of witness

Name of witness \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Occupation \_\_\_\_\_

### Address for notices

Address [•]

Fax [•]

Attention [•]

**The Original Borrower**

EXECUTED as a DEED by  
**HARBOUR HOTELS GROUP LIMITED**  
acting by  
a Director, in the presence of

)  
)  
)  
)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Signature of witness

Name of witness \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Occupation \_\_\_\_\_

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax [•]

Attention [•]

**The Security Agent**

EXECUTED as a DEED by  
**THE ROYAL BANK OF SCOTLAND PLC**  
acting by an authorised signatory, in the  
presence of

)  
)  
)  
)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Signature of witness

Name of witness \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_  
Occupation \_\_\_\_\_

Address for notices

Address NatWest House, Po Box 309, Templars Way, Chandlers Ford, Hampshire,  
SO53 3AW


Fax +44 23 8024 2150

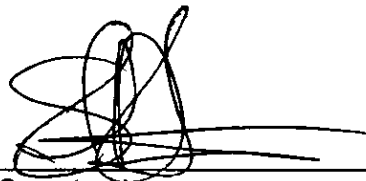
Attention Chris Priest

## EXECUTION PAGES TO THE SECURITY AGREEMENT

### The Chargors

EXECUTED as a DEED by  
**HARBOUR HOTELS GROUP LIMITED**  
acting by a Director, in the presence of

  
\_\_\_\_\_  
Signature of witness

)  
)  
)  
)  
  
\_\_\_\_\_  
(Signature)

Name of witness WILL ROWLING

Address \_\_\_\_\_

\_\_\_\_\_  
Occupation TRAINER SOLICITOR

Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

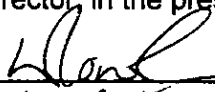
### Address for notices


Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 499088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**CHICHESTER HARBOUR HOTEL  
LIMITED** acting by  
a Director, in the presence of

  
Signature of witness

)  
)  
)  
)  
  
(Signature)

Name of witness Will Roulberg

Address \_\_\_\_\_

Occupation Tanner Schacter

Clyde & Co LL.  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW


Address for notices

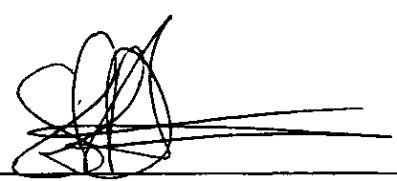
Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 489088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**FROYLE HARBOUR HOTEL LIMITED**  
acting by a Director, in the presence of

  
Signature of witness

)  
)  
)  
)  
  
(Signature)

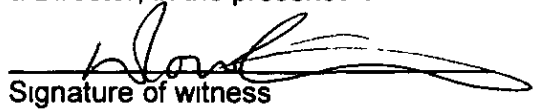
Name of witness WILL ROWLING

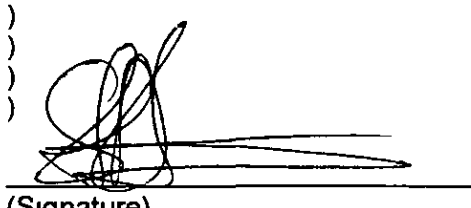
Address \_\_\_\_\_ Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW  
Occupation TRAINEE SOLICITOR

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB  
Fax 01202 489 088  
Attention DAVID ROBBINS

EXECUTED as a DEED by  
**SALCOMBE HARBOUR HOTEL LIMITED**  
acting by  
a Director, in the presence of

  
Signature of witness

)  
)  
)  
  
(Signature)

Name of witness WILL ROWLING

Address \_\_\_\_\_

Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINEE SOLICITOR

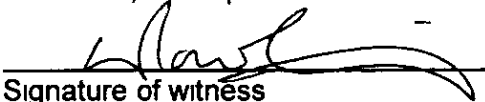
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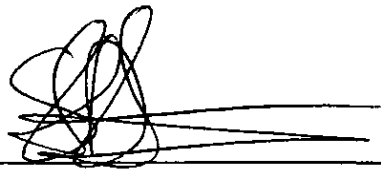
Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax

Attention

EXECUTED as a DEED by  
**WESTCLIFF HALL (SIDMOUTH) LIMITED**  
acting by  
a Director, in the presence of

  
Signature of witness

)  
)  
)  
)  
  
(Signature)

Name of witness Will Rowan

Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINING SOLICITOR

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB


Fax 01202 489 088


Attention DAVID ROBBINS



SE

EXECUTED as a DEED by  
**PORTHMINSTER HARBOUR HOTEL** COMPANY  
**LIMITED** acting by  
a Director, in the presence of

  
Signature of witness

  
(Signature)

Name of witness WILL ROWLING

Address Clyde & Co LL<sup>1</sup>  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINER CONSULTANT

Address for notices

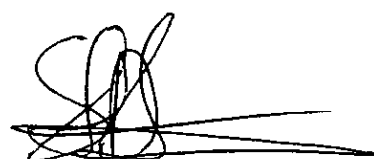
Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 489088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**KINGS HARBOUR HOTEL LIMITED** acting  
by a Director, in the presence of

  
Signature of witness

)  
)  
)  
)  
  
(Signature)


Name of witness Will Robinson  
Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW  
Occupation TRAINEE SOLICITOR

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB  
Fax 01202 489 088  
Attention DAVID ROBBINS

EXECUTED as a DEED by  
**CHRISTCHURCH RESTAURANTS  
LIMITED** acting by  
a Director, in the presence of

  
\_\_\_\_\_  
Signature of witness

  
\_\_\_\_\_  
(Signature)

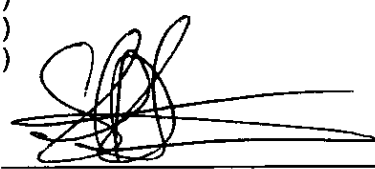
Name of witness Will Rowlinson  
Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW  
Occupation TRAINEE SOLICITOR

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB  
Fax 01202 489 088  
Attention DAVID ROBBINS

EXECUTED as a DEED by  
**CHRISTCHURCH HOTELS LTD** acting by  
a Director, in the presence of

  
\_\_\_\_\_  
Signature of witness

)  
)  
)  
  
\_\_\_\_\_  
(Signature)

Name of witness Will Rowling

Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINEE SOLICITOR

Address for notices

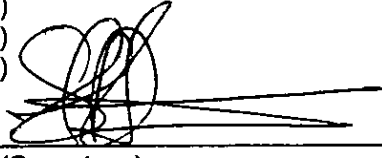
Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 489 088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**BRISTOL HARBOUR HOTEL LIMITED**  
acting by  
a Director, in the presence of

  
\_\_\_\_\_  
Signature of witness

)  
)  
)  
  
\_\_\_\_\_  
(Signature)

Name of witness WILL ROWLINSON

Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINEE SOLICITOR

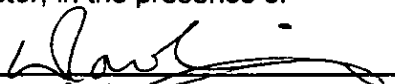
Address for notices


Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 489 088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**BOND STREET ESTATES (BRIGHTON)**  
**LIMITED** acting by  
a Director, in the presence of

  
Signature of witness

)  
)  
)  
  
(Signature)

Name of witness WILL ROWLING

Address Clyde & Co LL<sup>+</sup>  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation PLAINEE SOLICITOR

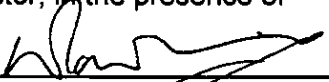
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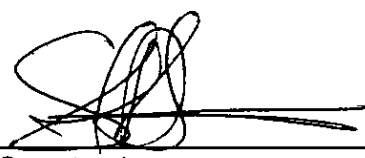
Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 499 088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**BRIGHTON HARBOUR HOTEL LIMITED**  
acting by  
a Director, in the presence of

  
\_\_\_\_\_  
Signature of witness

)  
)  
)  
)  
  
\_\_\_\_\_  
(Signature)

Name of witness WILL ROBBINS

Address Clyde & Co LLP  
1 Stoke Road  
Guildford  
Surrey  
GU1 4HW

Occupation TRAINEE SOLICITOR


Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB


Fax 01202 489 088

Attention DAVID ROBBINS

EXECUTED as a DEED by  
**WHITE TRUFFLE EVENTS LIMITED**  
acting by  
a Director, in the presence of

  
Signature of witness

)  
)  
)  
)

  
(Signature)

Name of witness WILL ROWLING

Address CWDE & CO LLP

1 STOKES ROAD, GUILDFORD, SURREY GU1 4HH

Occupation TRAINEE SOLICITOR

Address for notices

Address Flat 5, 6 Upper John Street, London W1F 9HB

Fax 01202 489088

Attention DAVID ROBBINS



**The Security Agent**

EXECUTED as a DEED for and on behalf of  
**THE ROYAL BANK OF SCOTLAND PLC**  
acting by an authorised signatory, in the  
presence of



Signature of witness

(Signature)



G. COOKE

Name of witness E. GLAISTER

Address Abbey Gardens

4 Abbey Street, Reading, RG1 3DA

Occupation Assistant Director

Address for notices

Address NatWest House, Po Box 309, Templars Way, Chandlers Ford, Hampshire,  
SO53 3AW

Fax +44 23 8024 2150

Attention Chris Priest