



Registration of a Charge

Company name: **THE PARK LANE HOTEL LIMITED**

Company number: **00158092**



X37HR29M

Received for Electronic Filing: **08/05/2014**

Details of Charge

Date of creation: **30/04/2014**

Charge code: **0015 8092 0010**

Persons entitled: **SHERATON HOTELS (UK) PLC**

Brief description: **THE FREEHOLD PROPERTY KNOWN AS 31, 33 AND 35 BRICK STREET, LONDON, WITH TITLE NUMBER 124280. THE LEASEHOLD PROPERTY KNOWN AS THE PARK LANE HOTEL ANNEXE AT 37 BRICK STREET, THE PARK LANE HOTEL GARAGE AT 39 BRICK STREET AND 41 TO 49 (ODD) BRICK STREET, LONDON, WITH TITLE NUMBER 378811.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **OSBORNE CLARKE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 158092

Charge code: 0015 8092 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th April 2014 and created by THE PARK LANE HOTEL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th May 2014 .

Given at Companies House, Cardiff on 9th May 2014

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

I certify that, save for material redacted, pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Date: 6 May 2014

Signed: Osborne Clarke

Osborne Clarke, One London Wall, London, EC2Y 5EB

Debenture

- (1) Genesta Park Lane LLP
- (2) The Park Lane Hotel Limited
- (3) Genesta Estates Limited
- (4) Sheraton Hotels (UK) PLC

Dated 30 April 2014

Osborne Clarke

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This Deed is made on

30 April 2014

Between:

- (1) **Genesta Park Lane LLP** (a company incorporated in England and Wales with registered number OC388907) (the "**Borrower**"); and
 - (2) **Genesta Estates Limited** (a company incorporated in England and Wales with registered number 07807743) ("**GEL**");
 - (3) **The Park Lane Hotel Limited** (a company incorporated in England and Wales with registered number 00158092) ("**PLH**");
- the Borrower, GEL and PLH together the "**Chargors**" and each a "**Chargor**"; and
- (4) **Sheraton Hotels (UK) PLC** (a company incorporated in England and Wales with registered number 3114981) (the "**Lender**").

The parties to this Deed agree as follows:

1. **Interpretation**

1.1 **Definitions**

Unless otherwise defined in this Deed, terms defined in the Facility Agreement shall have the same meanings in this Deed and the following definitions shall have the following meanings:

"Accounts" means all of any Chargor's present and future accounts with any bank or other person, all monies standing to the credit of each such account and all Related Rights in respect of any such account.

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage any Chargor's affairs, business and property.

"Contracts" means all agreements, contracts, deeds, instruments, licences, undertakings, guarantees, covenants, warranties, representations and other documents and all Related Rights in respect thereof.

"Debts" means:

- (a) all money or liabilities due, owing or incurred by a person to any Chargor at present or in the future, in any manner, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety; and
- (b) any Related Rights in respect thereof.

"Default Rate" means the default rate of interest set out in clause 6.3 (*Interest*) of the Facility Agreement.

"Derivative Asset" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of an Investment.

"Facility Agreement" means the term loan facility agreement dated on or around the date hereof under which the Lender has made available certain facilities to the Borrower.

"Floating Charge Asset" means an asset charged under Clause 3.3 (*Floating Charge*).

"Insurance Proceeds" means all monies from time to time payable to any Chargor under or pursuant to the Insurances, including the refund of any premium.

"Insurances" means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, any Chargor or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance.

"Intellectual Property Rights" means:

- (a) all of the assets specified in Part 2 of the Schedule (*Intellectual Property*) (if any);

- (b) any patents, trademarks, service marks, designs, business names, copyrights, database rights, computer software, design rights, domain names, moral rights, inventions, confidential information, trade secrets, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered;
- (c) the benefit of all applications and rights to use those assets described in paragraphs (a) and (b) above of any Chargor (which may now or in the future subsist); and
- (d) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (c) (inclusive) above.

"Investment" means any stock, shares (including the Shares), debenture, loan stock, interest in any investment fund and any other security (whether or not marketable) whether owned directly or by or to the order of any Chargor or by any trustee, fiduciary or clearance system on its behalf, including any Derivative Asset and any Related Rights in respect of any of the foregoing.

"Lease Document" means any lease or licence or other right of occupation or right to receive rent to which a Property may at any time be subject and includes any guarantee of a tenant's obligations under the same (or any agreement to grant any of the same).

"LPA" means the Law of Property Act 1925.

"Plant and Machinery" means all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other similar assets (other than any assets that are deemed by law to be immoveable property), wherever they are situated, which are now, or at any time after the date of this Deed become, the property of any Chargor.

"Property" means:

- (a) all of the freehold and/or leasehold property of the Chargors described in Part 1 of the Schedule (*The Property*);
- (b) all freehold and leasehold property or immovable property of the Chargors situate in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures, fittings, plant and machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b) above; and
- (d) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (c) (inclusive) above.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"Related Rights" means, where used in relation to an asset, the following:

- (a) the proceeds of sale and/or other realisation of that asset (or any part thereof or interest therein);
- (b) all Security, authorisations, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such asset; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such asset.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargors to any Secured Party under each Finance Document except for any money or liability which, if it were so included, would cause the infringement of section 678 or 679 of the Companies Act 2006.

"Secured Party" means the Lender or a Receiver.

"Security Assets" means:

- (a) the assets mortgaged, charged or assigned by way of security to the Lender by this Deed; and

- (b) any assets held on trust by the Chargors for the Lender.

"Security Period" means the period from the date of this Deed until the date on which all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and that no commitment is outstanding.

"Shares" means:

- (a) the shares described in
- (b)
- (c) Part 3 of the Schedule (*Shares*);
- (d) all Derivative Assets; and
- (e) all Related Rights in respect of paragraphs (a) to (d) (inclusive).

1.2 **Construction**

- (a) Unless a contrary intention appears, clause 1.2 (*interpretation*) of the Facility Agreement applies to this Deed, and shall be deemed to be incorporated into this Deed, *mutatis mutandis*, as though set out in full in this Deed, with any references to **"this agreement"** being deemed to be a reference to **"this Deed"**, subject to any other necessary changes.
- (b) Unless a contrary indication appears, any reference in this Deed to:
 - (i) **"guarantee"** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness; and
 - (ii) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent.
- (c) Unless a contrary indication appears, a reference to a clause, schedule or paragraph is a reference to a clause, schedule or paragraph of this Deed.
- (d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Deed.
- (e) General words shall not be given a restrictive meaning:
 - (i) if they are introduced by the word **"other"** or **"including"** or similar words;
 - (ii) by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing; or
 - (iii) by reason of the fact that they are followed by particular examples intended to be embraced by those general words.

1.3 **Law of Property (Miscellaneous Provisions) Act 1989**

To the extent necessary for any agreement for the disposition of the Security Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

1.4 **Implied covenants for title**

The obligations of each Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.5 **Effect as a Deed**

This Deed is intended to take effect as a deed notwithstanding that the Lender may have executed it under hand only.

1.6 **Trusts**

The perpetuity period for any trusts created by this Deed is 125 years.

1.7 **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 to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or any delegate may, subject to this Clause 1.7 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

2. **Covenant to pay**

Each of the Borrower and PLH as primary obligor covenants with the Lender that it will on demand pay to the Lender the Secured Liabilities when the same fall due for payment.

3. **Security Assets**

3.1 **Fixed charges**

- (a) Each Chargor, as security for the payment of the Secured Liabilities, charges in favour of the Lender, with full title guarantee, the following assets, from time to time owned by it or in which it has an interest:
 - (i) by way of first legal mortgage, the Property; and
 - (ii) by way of first fixed charge:
 - (A) all Property not effectively mortgaged under Clause 3.1(a)(i);
 - (B) all Plant and Machinery;
 - (C) all Shares;
 - (D) all Debts;
 - (E) the Blocked Account;
 - (F) all Investments;
 - (G) all Intellectual Property Rights;
 - (H) its goodwill and uncalled capital; and
 - (I) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
 - (J) all Contracts to the extent not effectively assigned by way of security pursuant to Clause 3.2 (*Security assignment*).

3.2 **Security assignment**

As security for the payment of the Secured Liabilities, each Chargor assigns, by way of security, with full title guarantee to the Lender all its rights, title and interest in:

- (a) the Insurances and the Insurance Proceeds;
 - (b) all Lease Documents; and
 - (c) all Contracts,
- and all Related Rights in respect of each of the above.

3.3 **Floating charge**

- (a) As further security for the payment of the Secured Liabilities, each Chargor charges with full title guarantee in favour of the Lender by way of first floating charge its

undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under Clause 3.1 (*Fixed charges*) or which are effectively assigned by way of security under Clause 3.2 (*Security assignment*).

- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Deed.

3.4 Conversion of floating charge by notice

If an Event of Default has occurred, the Lender may, by notice to the relevant Chargor convert the floating charge created under this Deed into a fixed charge as regards those assets which it specifies in that notice.

3.5 Small company moratorium

Notwithstanding any other provision of this Deed, the obtaining of a moratorium under section 1A of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not be an event causing any floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to be imposed on the disposal of any asset by any Chargor or a ground for the appointment of a Receiver.

4. Nature of Security

4.1 Continuing Security

- (a) The Security created by this Deed is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or any other matter or thing.
- (b) The obligations and liabilities of the Chargors under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 4.1(b), would reduce, release or prejudice any of its obligations or liabilities under this Deed (without limitation and whether or not known to any Secured Party) including:
 - (i) any time, waiver or consent granted to, or composition with, any Chargor or other person;
 - (ii) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor of any person;
 - (iii) 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 any 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;
 - (iv) 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;
 - (v) any amendment (however fundamental) or replacement of any Finance Document or any other document or Security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
 - (vii) any insolvency or similar proceedings.
- (c) Each Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or Security or claim payment from any person before claiming from any Chargor under a Finance Document. This waiver applies irrespective of any law or any provision of the Finance Document to the contrary.
- (d) Until the Security Period has ended, the Lender may refrain from applying or enforcing any other moneys, Security or rights held or received by the Lender 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 neither Chargor shall be entitled to the benefit of the same.

4.2 **Non-merger of Security**

The Security created by this Deed is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other Security or other right which the Lender may now or after the date of this Deed hold for any of the Secured Liabilities, and this Deed may be enforced against the Chargors without first having recourse to any other rights of the Lender.

5. **Further assurances and protection of priority**

5.1 **General**

- (a) Each Chargor shall, at its own expense, promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender may reasonably require (and in such form as the Lender may reasonably require in favour of the Lender or its nominee(s)):
 - (i) to perfect or protect 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 this Deed) or for the exercise of any rights, powers and remedies of the Secured Parties provided by or pursuant to this Deed or by law;
 - (ii) to confer on the Lender or any Receiver, Security over any assets of that Chargor, located in any jurisdiction, equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and, pending the conferring of such Security, hold such assets upon trust (or in any manner required by the Lender) for the Secured Parties; and/or
 - (iii) to facilitate the realisation or enforcement of the assets which are, or are intended to be, the subject of the Security created, or intended to be created, by this Deed.
- (b) Each Chargor shall take all such action (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 Lender or any Receiver by or pursuant to this Deed.

5.2 **HM Land Registry**

- (a) In relation to the Property from time to time, each Chargor hereby irrevocably consents to the Lender applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) on the prescribed Land Registry form and in the following or substantially similar terms:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the debenture dated * in favour of Sheraton Hotels (UK) PLC referred to in the charges register."*
- (b) The Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances). In relation to the Property, the Lender may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) of the obligation to make further advances.

5.3 **Register of Intellectual Property Rights**

Each Chargor shall, if reasonably requested by the Lender, execute all such documents and do all such acts required to record the interests of the Lender in any registers relating to registered Intellectual Property Rights.

5.4 **Notices**

Each Chargor shall, at the request of the Lender, give notice of the assignment or charge of any Security Asset to the relevant third party in such other form as the Lender so requires,

and, in each case, shall use all reasonable endeavours to procure that each person on whom a notice is served, executes and delivers to the Lender an acknowledgement of that notice in such form as the Lender may require.

6. Representations and Warranties

Each Chargor represents and warrants in favour of the Lender:

6.1 Security Assets

It is the sole legal and beneficial owner of the respective Security Assets over which it purports to grant Security and has good, valid and marketable title to the respective Security Assets.

6.2 Investments

- (a) All Investments are fully paid and none are subject to any option to purchase or similar rights.
- (b) The constitutional documents of any company whose shares are the subject of the Security created by this Deed do not and could not restrict or prohibit any transfer of those shares on creation or on enforcement of that Security.

6.3 Repetition

The representations in this Clause 6 are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of this Deed.

7. Undertakings

7.1 Duration of undertakings

Each Chargor undertakes to the Lender in the terms of this Clause 7 for the duration of the Security Period.

7.2 General undertakings

(a) Negative pledge and disposal restrictions

It will not:

- (i) create or agree to create or permit to subsist or arise any Security over all or any part of the Security Assets; or
- (ii) sell, transfer, lease out, lend or otherwise dispose of all or any part of the Security Assets (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or agree or attempt to do the same,

except as permitted by the Facility Agreement or with the prior written consent of the Lender.

(b) Deposit of documents or title deeds

It will deposit with the Lender on written request:

- (i) to the extent that the relevant documents have not been deposited with a clearance system, settlement system or custodian acceptable to the Lender, all deeds, documents of title (or documents evidencing title or the right to title) and agreements relating to a Security Asset; and
- (ii) any stock transfer forms or other instruments of transfer duly completed.

7.3 Investments

(a) Exercise of rights

- (i) Prior to an Event of Default which is continuing, it may continue to exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments unless such exercise or refrain from exercising (or direction to do the same):

(A) is expressly prohibited by the terms of the Facility Agreement; and

- (B) would, or would be reasonably likely to, affect any of its rights or powers arising from its legal or beneficial ownership of the Investment.
 - (ii) On and following an Event of Default which is continuing, it shall not, without the prior written consent of the Lender, exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments.
- (b) *Registration of transfers*
- Following service of a notice of acceleration pursuant to clause 11.17 (*Events of Default*) of the Facility Agreement and if required by the Lender, it shall procure that all Investments which are in registered form are duly registered in the name of the Lender or its nominee once a transfer relating to those Investments is presented for that purpose.
- (c) *Clearance systems etc*
- Following service of a notice of acceleration pursuant to clause 11.17 (*Events of Default*) of the Facility Agreement and if requested by the Lender, it shall instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for its or some nominee's account to the account of the Lender (or its nominee) with such clearance system (or as otherwise required by the Lender).
- (d) *Nominees*
- It shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments.

7.4 Power to Remedy

If any Chargor fails to comply with any covenant set out in 7.2 (*General undertakings*) to 7.6 (*Contracts*) (inclusive), it will allow (and irrevocably authorises) the Lender or any Receiver to take any action on its behalf which is necessary to preserve or protect the Security created under this Deed. Such Chargor shall reimburse to the Lender and/or any Receiver, within five (5) Business Days of demand, all amounts expended by the Lender or any Receiver in remedying such failure together with interest at the Default Rate from the date of payment by the Lender or Receiver (as the case may be) until the date of reimbursement.

8. Enforcement and powers of the Lender

8.1 Enforcement

At any time on or after the occurrence of an Event of Default which is continuing, the Security created pursuant to this Deed shall be immediately enforceable and the Lender may in its absolute discretion and without notice to the Chargors or the prior authorisation of any court:

- (a) enforce all or any part of the Security created by this Deed and take possession of or dispose of all or any of the Security Assets in each case at such times and upon such terms as it sees fit; and
- (b) whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
 - (i) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
 - (ii) granted to a Receiver by this Deed or from time to time by law.

8.2 Power of sale, leasing and other powers

- (a) For the purpose of all rights and powers implied or granted by law, the Secured Liabilities are deemed to have fallen due on the date of this Deed. The power of sale and other powers conferred by section 101 of the LPA and all other enforcement powers conferred by this Deed shall be immediately exercisable at any time after an Event of Default which is continuing.

- (b) The Lender may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the LPA.
- (c) In the exercise of the powers conferred by this Deed, the Lender may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and it may apportion any rent or other amount without the consent of the respective Chargor.

8.3 **Statutory restrictions**

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the LPA shall not apply to the Security constituted by this Deed.

8.4 **Appropriation**

- (a) In this deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No.2) Regulations 2003 (the "**Regulations**").
- (b) At any time after an Event of Default which is continuing, the Lender may appropriate all or part of the financial collateral in accordance with the Regulations in or towards satisfaction of the Secured Liabilities.
- (c) The parties agree that the value of any such Security Assets appropriated in accordance with paragraph (b) above shall be the market price of such Security Assets at the time the right of appropriation is exercised as determined by the Lender (acting reasonably) by reference to such method or source of valuation as the Lender may reasonably select, including by independent valuation. The parties agree that the methods or sources of valuation provided for in this paragraph (c) or selected by the Lender in accordance with this paragraph (c) shall constitute a commercially reasonable manner of valuation for the purposes of the Financial Collateral Arrangements (No.2) Regulations 2003.
- (d) The Lender shall notify both Chargors as soon as reasonably practicable, of the exercise of its right of appropriation as regards such of the Security Assets in accordance with the Regulations as are specified in such notice.

9. **Appointment of a Receiver or Administrator**

9.1 **Appointment**

- (a) At any time on or after the occurrence of an Event of Default which is continuing, or at the request of either Chargor or its directors, the Lender may, without prior notice to the Chargors, in writing (under seal, by deed or otherwise under hand) appoint:
 - (i) a Receiver in respect of the Security Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his place; or
 - (ii) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (b) Nothing in paragraph (a) above shall restrict the exercise by the Lender of any one or more of the rights of the Lender under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- (c) Section 109(1) of the LPA shall not apply to this Deed.

9.2 **Several Receivers**

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

9.3 **Remuneration of Receiver**

The Lender may from time to time fix the remuneration of any Receiver appointed by it from time to time. For the purpose of this Clause 9.3, the limitation set out in Section 109(6) LPA shall not apply.

9.4 Liability of Lender for actions of a Receiver or Administrator

- (a) Each Receiver shall be the agent of the Chargors who shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. No Secured Party shall be responsible for any misconduct, negligence or default of a Receiver.
- (b) No Secured Party shall have any liability for the acts or omissions of an Administrator.

10. Powers of a Receiver

A Receiver shall have (and be entitled to exercise) in relation to the Security Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- (a) all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- (c) all of the powers conferred on the Lender under this Deed;
- (d) all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any Chargor itself could do or omit to do;
- (e) the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, either Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of either Chargor (whether under hand, or by way of deed or by utilisation of the company seal of that Chargor)).

11. Application of moneys

11.1 Order of application

All amounts from time to time received or recovered by the Lender pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security created by this Deed (for the purposes of this Clause 11.1, the "**Recoveries**") shall be held by the Lender on trust to apply the same at any time as the Lender (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 11), in the following order, after the payment of any preferential debts ranking in priority to the Secured Liabilities:

- (a) in discharging any sums owing to the Lender or any Receiver or Administrator;
- (b) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Security created by this Deed; and
- (c) in payment of any Secured Liabilities.

11.2 Prospective liabilities

Following an Event of Default which is continuing, the Lender may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself) and for so long as the Lender shall think fit (the interest being credited to the relevant account) for later application under Clause 11.1 (*Order of application*) in respect of:

- (a) any sum to a Secured Party; and
- (b) any part of the Secured Liabilities.

that the Lender reasonably considers, in each case, might become due or owing at any time in the future.

11.3 *Investment of proceeds*

Prior to the application of the proceeds of the Recoveries in accordance with Clause 11.1 (*Order of application*) the Lender may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself) and for so long as the Lender shall think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Lender's discretion in accordance with the provisions of Clause 11.1 (*Order of application*).

11.4 *Currency conversion*

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Lender may convert any moneys received or recovered by the Lender from one currency to another, at a market rate of exchange.
- (b) The obligations of any Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

11.5 *Permitted deductions*

The Lender shall be entitled, in its discretion:

- (a) to set aside by way of reserve, amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Lender under any of the Finance Documents or otherwise.

12. *Protection of third parties*

12.1 *No obligation to enquire*

No purchaser from, or other person dealing with, a Secured Party shall be obliged or concerned to enquire whether:

- (a) the right of the Secured Party to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Liabilities remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

12.2 *Receipt conclusive*

The receipt of the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve such purchaser of any obligation to see to the application of any moneys paid to or by the direction of the Lender or any Receiver.

13. *Protection of the Secured Parties*

13.1 *No liability*

No Secured Party shall be liable in respect of any of the Security Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers.

13.2 *Possession of Security Assets*

Without prejudice to Clause 13.1 (*No liability*), if a Secured Party enters into possession of the Security Assets, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

14. Cumulative powers and avoidance of payments

14.1 Cumulative powers

The powers which this Deed confers on the Lender and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Lender or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Lender and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

14.2 Amounts avoided

If any amount paid by any Chargor in respect of the Secured Liabilities is capable of being avoided or set aside on the liquidation or administration of that Chargor or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

14.3 Discharge conditional

Any settlement or discharge between any Chargor and the Lender shall be conditional upon no security or payment to the Lender by that Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Lender under this Deed) the Lender shall be entitled to recover from that Chargor the value which the Lender has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

15. Ruling-off Accounts

If the Lender receives notice of any subsequent Security or other interest affecting any of the Security Assets it may open a new account for such Chargor in its books. If it does not do so then (unless it gives written notice to the contrary to the respective Chargor), as from the time it receives that notice, all payments made by the respective Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

16. Power of attorney

Each Chargor, by way of security, irrevocably and severally appoints each of the Lender and any Receiver as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Lender or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Chargor covenants with each of the Lender and any Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

17. Delegation

17.1 A Secured Party may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by or pursuant to this Deed.

17.2 That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that that Secured Party may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub delegate.

18. Redemption of prior charges

The Lender may, redeem any prior Security on or relating to any of the Security Assets or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargors. Each Chargor will on demand pay

to the Lender all principal monies and interest and all losses incidental to any such redemption or transfer.

19. Default Interest

- 19.1 If any Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate.
- 19.2 Any interest accruing under this Clause 19 shall be immediately payable by the respective Chargor on demand by the Lender.
- 19.3 Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each month but will remain immediately due and payable.
- 19.4 Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in any case where the practice in the London interbank market differs, in accordance with that market practice.

20. Set-off

20.1 Set-off rights

A Secured Party may set-off any matured obligation due from the Chargors under the Finance Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to the respective Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange for the purpose of the set-off.

20.2 Unliquidated claims

If the relevant obligation or liability is unliquidated or unascertained, the Secured Party may set-off the amount which it estimates (in good faith) will be the final amount of that obligation or liability once it becomes liquidated or ascertained.

21. Notices

21.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

21.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Deed is as identified with their signature below, or any substitute address or fax number or department or officer as either Chargor may notify to the Lender (or the Lender may notify to the Chargors, if a change is made by the Lender) by not less than five Business Days' notice.

21.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
- (i) if delivered by hand, when it has been left at the relevant address;
 - (ii) if by way of pre-paid first-class post or other next working day delivery service, on the second Business Days after posting; or
 - (iii) if by way of fax, when received in legible form.
- (b) A notice or other communication given as described in paragraph (a) above on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

22. Miscellaneous

22.1 Assignment

- (a) No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed.
- (b) The Lender may not assign or transfer all or any part of its rights and obligations under this Deed without the prior written approval of the Chargor, save that no such approval is required if the assignment or transfer is to an Affiliate of the Lender.

22.2 Counterparts

- (a) 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.
- (b) Failure by one or more parties ("**Non-Signatories**") to execute this Deed on the date of this Deed will not invalidate the provisions of this Deed as between the other Parties who do execute this Deed. Any Non-Signatories may execute this Deed (or a counterpart of this Deed) on a subsequent date and will thereupon become bound by its provisions.

22.3 Certificates conclusive

Any certification or determination by a Secured Party of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22.4 Gross-up

If a deduction or withholding for or on account of Tax from a payment under this Deed is required by law to be made by any Chargor, the amount of payment due from it shall be increased by an amount which (after making such deduction or withholding) leaves an amount equal to the payment which would have been due if no such deducting or withholding had been required.

22.5 Invalidity of any provision

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

22.6 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under the Finance Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any of the Finance Documents on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22.7 Payments

All payments to be made by the Chargors under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

23. Covenant to release

At the end of the Security Period, the Lender shall, at the request and cost of both Chargors, take any action which may be necessary to release the Security Assets from the Security constituted by this Deed.

24. Governing Law

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

25. Jurisdiction

- 25.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- 25.2 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.
- 25.3 This Clause 25 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.
26. **Hotel lease**
- The Lender acknowledges and consent for the purposes of this Deed that the leasehold property registered with title number 378811 shall be surrendered by PLH one Business Day after the date of this Deed.
27. **Engineering block**
- The Lender acknowledges and consents for the purposes of this Deed that the property registered with title number 124280 shall be transferred from PLH to the Borrower one Business Day after the date of this Deed and that property shall be charged on the date of this Deed by way of floating charge pursuant to Clause 3.3 (*Floating charge*) only but shall be charged in favour of the Lender by the Borrower pursuant to Clause 3.1(a) (*Fixed charges*) following the transfer to the Borrower one Business Days after the date of this Deed.

In witness whereof this Deed has been duly executed on the above date first above written.

Schedule
Security Assets
Part 1
The Property

County and District (or London Borough)	Address or description	Title No:	Proprietor
City of Westminster	The freehold property known as The Park Lane Hotel, 107 to 115 Piccadilly.	NGL761948	Borrower
City of Westminster	The freehold property known as The Park Lane Hotel Annexe 37 Brick Street and part of The Park Lane Hotel Garage 39 to 49 (odd numbers) Brick Street.	160805	Borrower
City of Westminster	The freehold property known as part of The Park Lane Hotel Garage, 39 to 49 (odd numbers) Brick Street.	169995	Borrower
City of Westminster	The freehold property known as part of the Park Lane Hotel Garage, 39-49 (odd) Brick Street and 51 and 53 Brick Street.	184557	Borrower
City of Westminster	The freehold property known as 31, 33 and 35 Brick Street, London.	124280	PLH – to be transferred to the Borrower one Business Day after the date of this Deed
City of Westminster	The leasehold property known as The Park Lane Hotel annexe at 37 Brick Street, The Park Lane Hotel Garage at 39 Brick Street and 41 to 49 (odd) Brick Street, London	378811	PLH – to be surrendered one Business Day after the date of this Deed

Part 2
Intellectual Property

None at the date of this Deed

Part 3
Shares

Name of company	Number and class of shares	Details of holder of legal title to shares
The Park Lane Hotel Limited	5,280,000 of ordinary shares of £0.25	Genesta Estates Limited

Signatories to this Deed

Chargors

Executed and Delivered as a Deed
for and on behalf of

Genesta Park Lane LLP

By: *Christopher Lacey*

Signature of member

Signature of witness

Name of witness

Address of witness

Occupation of witness

Notice details:

Address: 14 Bolton Street, London W1J 8BF

Attention: *Christopher Lacey, Robert Dudley, Robert White and Nick Pollock*

Executed and Delivered as a Deed
for and on behalf of

The Park Lane Hotel Limited

By: *Christopher Lacey*

Signature of director

Signature of witness

Name of witness

Address of witness

Occupation of witness

Notice details:

Address: c/o The Park Lane Hotel, Piccadilly, London W1Y 7BX

Attention: *Christopher Lacey, Robert Dudley, Robert White and Nick Pollock*

Executed and Delivered as a Deed
for and on behalf of

Genesta Estates Limited

by: *Christopher Lacey*

Signature of director

Signature of witness

Name of witness

Address of witness

Occupation of witness



Notice details:

Address: 14 Bolton Street, London W1J 8BF

Attention: Christopher Lacey, Robert Dudley, Robert White and Nick Pollock.

Lender

Signed for and on behalf of)
Sheraton Hotels (UK) PLC)
by its duly authorised attorney *a director*)
in the presence of:)

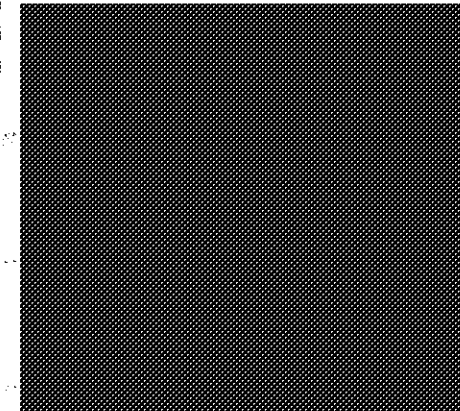
Signature of director

Signature of witness

Name of witness

Address of witness

Occupation of witness



OSBORNE CLARKE
ONE LONDON WALL
LONDON EC2Y 5EB

SAVIER

Notice details:

Address: c/o The Park Lane Hotel, Piccadilly, London, W1Y 7BX