



**Registration of a Charge**

Company name: **EDWARDIAN LTD**

Company number: **02808138**

Received for Electronic Filing: **18/12/2020**



X9K6UC21

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**Details of Charge**

Date of creation: **14/12/2020**

Charge code: **0280 8138 0010**

Persons entitled: **AAREAL BANK AG AS SECURITY AGENT FOR THE FINANCE PARTIES**

Brief description: **THE KENILWORTH HOTEL, 94-97 GREAT RUSSELL STREET, LONDON  
KNOWN AS RADISSON BLU EDWARDIAN KENILWORTH HOTEL WITH  
TITLE NUMBER NGL783556 AND OTHER PROPERTIES AS MORE  
PARTICULARLY LISTED IN SCHEDULE 1 OF THE INSTRUMENT.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **BIRD & BIRD LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 2808138

Charge code: 0280 8138 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th December 2020 and created by EDWARDIAN LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th December 2020 .

Given at Companies House, Cardiff on 21st December 2020

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

Finance Project No.: 30813596

Date: 14 December 2020

**EDWARDIAN HOTEL INVESTMENTS LTD**

**EDWARDIAN BLOOMSBURY STREET LIMITED  
EDWARDIAN CANARY WHARF HOTEL LIMITED  
EDWARDIAN MERCER STREET LTD  
EDWARDIAN GRAFTON HOTEL LTD  
EDWARDIAN LTD**

**as Chargors**

**AAREAL BANK A.G.  
as Security Agent**

We hereby certify that, save for material redacted pursuant to s859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Bird & Bird LLP

12 New Fetter Lane, London EC4A 1JP

17 December 2020

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**2020 Q4 CONFIRMATORY SECURITY  
AGREEMENT**

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**Bird & Bird**

Bird & Bird LLP, 12 New Fetter Lane, London EC4A 1JP, United Kingdom  
T: +44 (0)20 7415 6000 | [www.twobirds.com](http://www.twobirds.com)

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**This Security Agreement** is made on 14 December 2020

**Between**

- (1) **Edwardian Hotel Investments Ltd** (registered in England and Wales with number 08664048) whose registered address is 140 Bath Road, Hayes, Middlesex, UB3 5AW ("**Company**");
- (2) **Edwardian Bloomsbury Street Limited** (registered in England and Wales with number 06507800) whose registered address is 140 Bath Road, Hayes, Middlesex, UB3 5AW ("**Edwardian Bloomsbury**");
- (3) **Edwardian Canary Wharf Hotel Limited** (registered in England and Wales with number 07790049) whose registered address is Radisson Edwardian Heathrow\140 Bath Road, Hayes, Middx, UB3 5AW ("**Edwardian Canary Wharf**");
- (4) **Edwardian Mercer Street Ltd** (registered in England and Wales with number 07789061) whose registered address is Radisson Edwardian Heathrow\140 Bath Road, Hayes, Middx, UB3 5AW ("**Edwardian Mercer Street**");
- (5) **Edwardian Ltd** (registered in England and Wales with number 02808138) whose registered address is 140 Bath Road, Hayes, Middx, UB3 5AW ("**Edwardian Kenilworth**");
- (6) **Edwardian Grafton Hotel Ltd** (registered in England and Wales with number 08664278) whose registered address is 140 Bath Road, Hayes, Middlesex, UB3 5AW ("**Edwardian Grafton**"); and
- (7) **Aareal Bank AG** as security agent for the Finance Parties ("**Security Agent**"), which term shall include any person appointed as security agent or as an additional security agent in accordance with the terms of the Facility Agreement).

**It is agreed**

**1. Definitions and interpretation**

**1.1 Definitions**

In this deed:

**"Blocked Account"** means:

- (a) the Proceeds Account;
- (b) the Deposit Account; and
- (c) any other account designated as a Blocked Account by any Chargor and the Security Agent.

**"Borrower"** means Edwardian Hotel Investments Ltd (registered in England and Wales with number 08664048) whose registered address is 140 Bath Road, Hayes, Middlesex, UB3 5AW.

**"Charged Account"** has the meaning given to it in clause 3.4.9 (First fixed charges).

**"Chargor"** means each of the Company, Edwardian Bloomsbury, Edwardian Canary Wharf, Edwardian Mercer Street, Edwardian Kenilworth and Edwardian Grafton, together the **"Chargors"**.

**"Debts"** has the meaning given to it in clause 3.4.7 (First fixed charges).

**"Facility Agreement"** means the £209,000,000 facility agreement between Edwardian Hotel Investments Ltd as borrower, Edwardian Grafton Hotel Ltd as original guarantor, Aareal Bank AG as Arranger, Aareal Bank AG as Original Lender, Aareal Bank AG as Original Hedge Counterparty, and Aareal Bank AG as Agent and Security Agent and dated 27 November 2013 as amended and restated on 13 January 2017, 1 June 2017 and 10 June 2020 under which the Lenders agree to make available to the Borrower the term loan facility as amended by an amendment and restatement agreement dated on or around the date of this deed and as amended or varied from time to time.

**"Fixtures"** means, in respect of any Secured Property, all fixtures, fittings and equipment (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this deed on that Secured Property.

**"Floating Charge Assets"** means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge).

**"Intellectual Property"** means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, topography rights, domain names, moral rights, inventions, confidential information, knowhow and any other associated or similar intellectual property rights and interests anywhere in the world (which may now or in the future subsist), and in each case whether registered or unregistered; and
- (b) the benefit of all applications, rights to apply for and rights to use such assets (including, without limitation, any licences and sub-licences of the same) (which may now or in the future subsist).

**"Investments"** means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the relevant Chargor or by a trustee or clearance system or nominee.

**"Party"** means a party to this deed.

**"Properties"** means the properties listed in schedule 1 (Properties).

**"Receiver"** means any receiver, manager or (if permitted by law) administrative receiver appointed by the Security Agent in respect of any Chargor or any of the Secured Assets.

**"Related Rights"** means, in respect of any Investment or Subsidiary Share:



- (a) all monies paid or payable in respect of that Investment or Subsidiary Share (whether as income, capital or otherwise);
- (b) all shares, investments or other assets derived from that Investment or Subsidiary Share; and
- (c) all rights derived from or incidental to that Investment or Subsidiary Share.

**"Relevant Agreement"** means:

- (a) each Property Acquisition Document;
- (b) each Business Asset Acquisition Agreement;
- (c) each Share Acquisition Document;
- (d) each Lease Document;
- (e) each Hotel Agreement (other than the Letter of Comfort);
- (f) each Hedging Agreement;
- (g) any document evidencing any Subordinated Loan; and
- (h) each other agreement designated as a Relevant Agreement by the Security Agent and the Borrower in writing.

**"Relevant Policies"** means, in respect of a Chargor, all policies of insurance present and future in which it has an interest (other than policies in respect of third party liability) together with all monies payable in respect of those policies.

**"Secured Assets"** means, in respect of any Chargor, all of its assets and undertaking the subject of any Security created by, under or supplemental to, this deed in favour of the Security Agent.

**"Secured Obligations"** means, in respect of any Chargor, all monies and liabilities now or after the date of this deed due owing or incurred by that Chargor (or any of them) to the Finance Parties (or any of them) under the Finance Documents in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party, except for any obligation which, if it were included here, constitute unlawful financial assistance or its equivalent in any other jurisdiction.

**"Secured Property"** means, at any time, the Properties and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to, this deed.

**"Security Period"** means the period beginning on the date of this deed and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities made available by the Finance Parties (or any of them) under the Finance Documents (or any of them) have been cancelled and all obligations of the Hedge Counterparties under the Hedging Agreement have been terminated.

**"Subsidiary Shares"** means, in respect of a Chargor, all shares present and future held by it in its Subsidiaries (including those listed in schedule 2 (Subsidiary Shares)).

## **1.2 Interpretation**

- 1.2.1 Unless otherwise defined in this deed, a term defined in the Facility Agreement has the same meaning when used in this deed or any notices, acknowledgements or other documents issued under or in connection with this deed.
- 1.2.2 In this deed the term **"dispose"** includes any sale, lease, licence, transfer or loan.
- 1.2.3 Clause 1.2 (Interpretation) of the Facility Agreement is incorporated in this deed as if set out here in full but so that each reference in that clause to **"this Agreement"** shall be read as a reference to this deed.

## **1.3 Third party rights**

- 1.3.1 Unless expressly provided to the contrary in any Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed or any other Finance Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- 1.3.2 Unless expressly provided to the contrary in any Finance Document the consent of any person who is not a Party is not required to rescind or vary this deed or any other Finance Document entered into under or in connection with it.

## **1.4 Administration**

- 1.4.1 Any reference in this deed, or any other Finance Document entered into under or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of a Chargor's assets) or 22 (by a Chargor or the directors of a Chargor) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.
- 1.4.2 Any reference in this deed or any other Finance Document entered into under or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

## **1.5 Incorporated terms**

The terms of the Finance Documents and of any side letters relating to the Finance Documents and the Secured Obligations are incorporated into this deed to the extent required for any purported disposition of any Secured Assets contained in this deed to

be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

## **2. Covenant to pay**

Each Chargor covenants with the Security Agent as security agent for the Finance Parties, to pay and discharge the Secured Obligations when they become due for payment and discharge in accordance with the terms of the Finance Documents.

## **3. Charging provisions**

### **3.1 General**

All Security created by a Chargor under clauses 3.2 to 3.5 inclusive is:

- 3.1.1 a continuing security for the payment and discharge of the Secured Obligations;
- 3.1.2 granted with full title guarantee (subject to any Permitted Security);
- 3.1.3 granted in respect of all the right, title and interest (if any), present and future, of that Chargor in and to the relevant Secured Asset;
- 3.1.4 granted in favour of the Security Agent as security agent for the Finance Parties; and
- 3.1.5 subject to the Security granted in favour of the Security Agent on 5 December 2013, 19 December 2013, 13 January 2017 and 10 June 2020.

### **3.2 First legal mortgages**

Each Chargor charges by way of first legal mortgage its Properties, and all Fixtures on each of its Properties.

### **3.3 Assignments**

Each Chargor assigns:

- 3.3.1 the Relevant Agreements to which it is a party; and
- 3.3.2 the Relevant Policies to which it is a party,

provided that unless an Event of Default is continuing, each Chargor shall be entitled to receive, retain and apply for its own use (subject to the terms of the Finance Documents) any rental or other payment received pursuant to each Relevant Agreement and each Relevant Policy to which it is a party.

Each Chargor shall remain liable to perform all its obligations under each Relevant Agreement and each Relevant Policy to which it is a party.

### **3.4 First fixed charges**

Each Chargor charges by way of first fixed charge:

- 3.4.1 all interests and estates in any freehold, leasehold or commonhold property now or subsequently owned by it (other than any freehold, leasehold or

- commonhold property effectively charged by way of legal mortgage under clause 3.2) and, in each case, the Fixtures on each such property;
- 3.4.2 the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- 3.4.3 the benefit of all other agreements, instruments and rights relating to its Secured Property;
- 3.4.4 all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;
- 3.4.5 the Subsidiary Shares together with all Related Rights;
- 3.4.6 the Investments together with all Related Rights;
- 3.4.7 all book and other debts due to the relevant Chargor and their proceeds (both collected and uncollected) (together "**Debts**") and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);
- 3.4.8 all monies from time to time standing to the credit of each Blocked Account;
- 3.4.9 all monies from time to time standing to the credit of each account including, without limitation, the General Account held by the relevant Chargor with any bank, building society, financial institution or other person, other than any Blocked Account (each a "**Charged Account**");
- 3.4.10 all its Intellectual Property;
- 3.4.11 all its goodwill and uncalled capital;
- 3.4.12 the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and
- 3.4.13 to the extent that any assignment in clause 3.3 is ineffective as an assignment, the assets referred to in that clause.

### **3.5 Floating charge**

Each Chargor charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 3.2, 3.3 or 3.4.

### **3.6 Qualifying floating charge**

This deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this deed.

### **3.7 Conversion of floating charge to a fixed charge**

The Security Agent may, at any time by notice in writing to any Chargor, convert the floating charge created under clause 3.5 into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- 3.7.1 an Event of Default is continuing; or
- 3.7.2 in the reasonable opinion of the Security Agent that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

### **3.8 Automatic conversion of floating charge to a fixed charge**

If (unless permitted in writing by the Security Agent or expressly permitted under the terms of any Finance Document):

- 3.8.1 a Chargor creates or attempts to create any Security over any of its Floating Charge Assets;
- 3.8.2 any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- 3.8.3 any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of any Chargor,

the floating charge created by this deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8.3, over all of the Floating Charge Assets.

### **3.9 Documents of title**

Each Chargor shall:

- 3.9.1 promptly upon the execution of this deed (and on the acquisition by it of any interest in any Secured Property at any time) deposit with the Security Agent all deeds, certificates and other documents in its possession constituting or evidencing title to the Secured Property (or otherwise use reasonable endeavours to procure that any such deeds, certificates and other documents are held to the order of the Security Agent on terms acceptable to the Security Agent (acting reasonably)); and
- 3.9.2 deposit with the Security Agent at any time after the date of this deed any further deeds, certificates and other documents constituting or evidencing title to the Secured Property, promptly upon coming into possession of them (or otherwise use reasonable endeavours to procure that any such deeds, certificates and other documents are held to the order of the Security Agent on terms acceptable to the Security Agent (acting reasonably)).

### **3.10 Small company moratorium**

Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created

by this deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by that Chargor.

### **3.11 Exceptions**

The charge over or assignment of any asset charged or assigned by any Chargor pursuant to this deed shall be effective only to the extent that the creation or subsistence of that charge or assignment is not prohibited by law or regulation.

## **4. Continuing security**

### **4.1 Continuing security**

The Security constituted by this deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by any Chargor or any other person of the whole or any part of the Secured Obligations.

### **4.2 Recourse**

The Security constituted by this deed:

4.2.1 is in addition to any other Security which any Finance Party may hold at any time for the Secured Obligations (or any of them); and

4.2.2 may be enforced without first having recourse to any other rights of any Finance Party.

## **5. Negative pledge**

5.1 No Chargor shall create or permit to subsist any Security over any of its assets.

5.2 No Chargor shall:

5.2.1 sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by it;

5.2.2 sell, transfer or otherwise dispose of any of its receivables on recourse terms;

5.2.3 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

5.2.4 enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

5.3 Clauses 5.1 and 5.2 do not apply to any Security which is expressly permitted pursuant to clause 24.14 (Negative pledge) of the Facility Agreement.

## **6. Restrictions on disposals**

6.1 No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to dispose of all or any part of any Secured Assets.

- 6.2 Clause 6.1 does not apply to any disposal expressly permitted pursuant to the Facility Agreement.

## **7. Further assurance**

- 7.1 Each Chargor shall promptly do all such acts and 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):
- 7.1.1 to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to this deed or by law;
  - 7.1.2 to confer on the Security Agent or confer on the Finance Parties Security over any property and 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/or
  - 7.1.3 whilst an Event of Default is continuing) to facilitate the realisation of the Secured Assets.
- 7.2 Each Chargor shall 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 or the Finance Parties by or pursuant to this deed.
- 7.3 Any document required to be executed by a Chargor under this clause 7 will be prepared at the cost of that Chargor.

## **8. Land Registry**

### **8.1 Application for restriction**

- 8.1.1 In relation to land and buildings situated in England and Wales title to which is registered or is to be registered at the Land Registry, each Chargor consents to an application being made to the Chief Land Registrar for registration of a restriction in Land Registry Standard Form P on the register of title of all present and future registered freehold, leasehold or commonhold property of that Chargor (and any unregistered properties subject to compulsory first registration at the date of this deed).
- 8.1.2 The Chargor confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 except as disclosed in a Certificate of Title.

### **8.2 Tacking and further advances**

The Lenders are, subject to the terms of the Facility Agreement, under an obligation to make further advances to the Borrower and this security has been made for securing such further advances. The Security Agent and each Chargor by this deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of that Chargor (and

any unregistered properties subject to compulsory first registration at the date of this deed).

## **9. Future property**

If any Chargor acquires (or intends to acquire) any freehold or leasehold or other interest in property after the date of this deed it must:

- 9.1.1 notify the Security Agent promptly of such acquisition or its intention to acquire such property;
- 9.1.2 promptly on request by the Security Agent and at the cost of the Chargor, execute and deliver to the Security Agent, a charge by way of first legal mortgage of such property in favour of the Security Agent in such form as the Security Agent may reasonably require;
- 9.1.3 obtain such consents as are required for the Security referred to in this clause 9;
- 9.1.4 if the title to such freehold or leasehold property is registered at the Land Registry or required to be so registered, to give the Land Registry written notice of the Security; and
- 9.1.5 if applicable, ensure that the Security is correctly noted in the register of title against that title at the Land Registry.

## **10. Notices of assignments and charges**

### **10.1 Occupational Lease**

- 10.1.1 Each Chargor which is a party to an Occupational Lease shall give notice substantially in the form specified in part 1 (Form of notice of assignment) of schedule 3 (subject to such amendments as may be agreed between the Security Agent and the relevant Chargor) to each tenant under each Occupational Lease that the Chargor has assigned to the Security Agent all its right, title and interest in the rental income and other monies payable under that Occupational Lease.
- 10.1.2 The relevant Chargor shall give the notices referred to in clause 10.1.1:
  - (a) in the case of an Occupational Lease subsisting at the date of this deed, on the date of this deed; and
  - (b) in the case of an Occupational Lease coming into existence after the date of this deed, upon the relevant Chargor entering into that Occupational Lease.
- 10.1.3 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 3 within 5 Business Days of that notice being given.

### **10.2 Relevant Agreements**

- 10.2.1 Each Chargor which is party to a Relevant Agreement other than an Occupational Lease shall give notice substantially in the form specified in part



1 (Form of notice of assignment) of schedule 4 (subject to such amendments as may be agreed between the Security Agent and the relevant Chargor) to the other parties to each Relevant Agreement that the Chargor has assigned to the Security Agent all its right, title and interest in that Relevant Agreement.

- 10.2.2 The relevant Chargor shall give the notices referred to in clause 10.2.1:
- (a) in the case of each Relevant Agreement in existence as at the date of this deed, on the date of this deed; and
  - (b) in the case of each Relevant Agreement coming into existence or being designated as such after the date of this deed, on the later of that agreement coming into existence or being designated a Relevant Agreement.
- 10.2.3 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 4 within 5 Business Days of that notice being given.

### **10.3 Insurance policies**

- 10.3.1 Each Chargor which is an insured party under a Relevant Policy shall give notice substantially in the form specified in part 1 (Form of notice of assignment) of schedule 5 (subject to such amendments as may be agreed between the Security Agent and the relevant Chargor) to each insurer under each Relevant Policy that the Chargor has assigned to the Security Agent all its right, title and interest in that Relevant Policy.
- 10.3.2 The relevant Chargor shall give the notices referred to in clause 10.3.1:
- (a) in the case of each Relevant Policy subsisting at the date of this deed, on the date of this deed; and
  - (b) in the case of each Relevant Policy coming into existence after the date of this deed, on that Relevant Policy being put on risk.
- 10.3.3 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 5 within 5 Business Days of that notice being given.

### **10.4 Blocked Accounts**

- 10.4.1 Each Chargor holding a Blocked Account shall give notice substantially in the form specified in part 1 (Form of notice of charge) of schedule 6 (subject to such amendments as may be agreed between the Security Agent and the relevant Chargor) to the financial institution at which each Blocked Account is held that the Chargor has created a fixed charge over the balance standing to the credit of that Blocked Account.
- 10.4.2 The relevant Chargor shall give the notices referred to in clause 10.4.1:
- (a) in the case of a Blocked Account held by that Chargor at the date of this deed, on the date of this deed; and

- (b) in the case of a Blocked Account opened after the date of this deed, on that Blocked Account being opened.
- 10.4.3 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 6 within 5 Business Days of that notice being given.

## **10.5 Charged Accounts**

- 10.5.1 Each Chargor holding a Charged Account shall give notice substantially in the form specified in part 1 (Form of notice of charge) of schedule 7 (subject to such amendments as may be agreed between the Security Agent and the relevant Chargor) to the financial institution at which such Charged Account is held that the Chargor has created a fixed charge over the balance standing to the credit of that Charged Account.
- 10.5.2 The relevant Chargor will give the notices referred to in clause 10.5.1:
  - (a) in the case of a Charged Account held by that Chargor at the date of this deed, on the date of this deed; and
  - (b) in the case of a Charged Account opened after the date of this deed, on that Charged Account being opened.
- 10.5.3 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in part 2 (Form of acknowledgment) of schedule 7 within 5 Business Days of that notice being given.

## **11. Subsidiary Shares and Investments**

### **11.1 Delivery of documents**

On the later of:

- 11.1.1 the date of this deed; and
- 11.1.2 the date of acquisition of those Subsidiary Shares, Investments or Related Rights, each Chargor shall:
  - (a) deliver to the Security Agent all certificates of title and other documents of title or evidence of ownership in respect of its Subsidiary Shares or Investments and the Related Rights; and
  - (b) deliver to the Security Agent such transfer documents (with the transferee left blank) or any other documents as the Security Agent may reasonably require or otherwise reasonably request in respect of those Subsidiary Shares, Investments and Related Rights.

### **11.2 Dividends**

Other than whilst an Event of Default is continuing:

- 11.2.1 each Chargor shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of its Subsidiary Shares, Investments and Related Rights; and
- 11.2.2 if any such dividends, distributions or other monies are paid or payable to the Security Agent or any of its nominees, the Security Agent will hold all those dividends, distributions or other monies received by it for the relevant Chargor and will pay them to such Chargor promptly on request.

### **11.3 Voting rights**

No Chargor shall exercise its voting and other rights in respect of its Subsidiary Shares, Investments and Related Rights in a manner which is likely to be prejudicial to the interests of the Finance Parties.

### **11.4 Payments**

Each Chargor shall make all payments which may become due and payable in respect of any of its Subsidiary Shares and Investments. If it fails to make any such payments, the Security Agent may but shall not be obliged to make such payment on behalf of the relevant Chargor. Any sums so paid by the Security Agent shall be repayable by the relevant Chargor to the Security Agent on demand and pending such repayment shall constitute part of the Secured Obligations.

### **11.5 Obligations**

Each Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of its Subsidiary Shares, Investments and Related Rights and the Security Agent shall not be required to perform or fulfil any obligation of any Chargor in respect of any Subsidiary Shares, Investments or Related Rights.

### **11.6 Compliance with notices**

Each Chargor shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of any relevant entity in respect of or in connection with the Subsidiary Shares, Investments or Related Rights and will promptly provide to the Security Agent a copy of that notice.

### **11.7 Conversion**

- 11.7.1 Each Chargor shall ensure that none of its Subsidiary Shares are converted into uncertificated form without the prior written consent of the Security Agent.
- 11.7.2 Immediately on conversion of any of its Subsidiary Shares, Investments or Related Rights from a certificated to an uncertificated form, and on the acquisition of any Subsidiary Shares, Investments or Related Rights in an uncertificated form, each Chargor shall give such instructions or directions and take such other steps and enter into such documentation as the Security Agent may require in order to protect or preserve the Security intended to be created by this deed.

## **12. Security power of attorney**

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their delegates to be its attorney to take any action which the

Chargor is obliged to take under this deed. Each Chargor ratifies and confirms whatever any attorney does or purports to do in the proper and lawful exercise, or purported exercise, of its powers pursuant to its appointment under this clause 12.

### **13. Enforcement of security**

#### **13.1 When security is enforceable**

The Security created by and under this deed is immediately enforceable at any time whilst an Event of Default is continuing.

#### **13.2 Acts of enforcement**

The Security Agent may, at its absolute discretion, at any time whilst an Event of Default is continuing:

- 13.2.1 enforce all or any part of the Security created by or under this deed in any manner it sees fit;
- 13.2.2 exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this deed, and rights and powers conferred on a Receiver by this deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets;
- 13.2.3 appoint a Receiver to all or any part of the Secured Assets;
- 13.2.4 appoint an administrator in respect of any Chargor and take any steps to do so;
- 13.2.5 exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this deed); or
- 13.2.6 if permitted by law, appoint an administrative receiver in respect of any Chargor.

#### **13.3 Right of appropriation**

To the extent that the Security created by this deed constitutes a "security financial collateral arrangement" and the Secured Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 ("**Regulations**"), the Security Agent shall have the right on giving prior notice to the relevant Chargor, at any time whilst an Event of Default is continuing, to appropriate all or any part of those Secured Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Secured Assets shall be, in the case of cash, the amount of cash appropriated and, in the case of Subsidiary Shares and Investments, determined by the Security Agent by reference to any available publicly available market price in the absence of which by such other means as the Security Agent (acting reasonably) may select including, without limitation, an independent valuation. For the purpose of Regulation 18(1) of the Regulations, each Chargor agrees that any such determination by the Security Agent will constitute a valuation "in a commercially reasonable manner".

#### **13.4 Statutory powers - general**

- 13.4.1 For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this deed.

- 13.4.2 Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this deed.
- 13.4.3 The statutory powers of leasing conferred on the Security Agent are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Security Agent is empowered to lease and make agreements for lease 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 may think fit whilst an Event of Default is continuing.
- 13.4.4 Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers.

### **13.5 Contingencies**

If the Security Agent enforces the Security constituted by or under this deed at a time when no amounts are due to any Finance Party under the Finance Documents but at a time when amounts may or will become so due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

### **13.6 Mortgagee in possession - no liability**

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Secured Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable except to the extent caused by their gross negligence or wilful misconduct.

### **13.7 Redemption of prior mortgages**

At any time whilst an Event of Default is continuing, the Security Agent may, at the sole cost of the Chargors (payable to the Security Agent on demand):

- 13.7.1 redeem any prior form of Security over any Secured Asset; and/or
- 13.7.2 procure the transfer of that Security to itself; and/or
- 13.7.3 settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall (in the absence of manifest error) be conclusive and binding on the Chargors.

### **13.8 Subsidiary Shares and Investments - following an Event of Default**

- 13.8.1 If an Event of Default is continuing, each Chargor shall on request by the Security Agent:
  - (a) deliver to the Security Agent such stock transfer forms or other transfer documents as the Security Agent may require to enable the Security Agent or its nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Subsidiary Shares, the Investments and/or Related Rights referred to in such request;

- (b) provide to the Security Agent certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Security Agent may reasonably require;
  - (c) procure that each such transfer is promptly registered by the relevant company or other entity;
  - (d) procure that, immediately on their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Subsidiary Shares, Investments and/or Related Rights, are delivered to the Security Agent in each case showing the registered holder as the Security Agent or its nominee or nominees (as applicable); and
  - (e) exercise all voting rights in respect of its Subsidiary Shares, Investments and Related Rights only in accordance with the instructions of the Security Agent.
- 13.8.2 At any time while an Event of Default is continuing, the Security Agent may complete any transfer documents held by it in respect of the Subsidiary Shares, the Investments and/or Related Rights in favour of itself or such other person or nominee as it shall select.
- 13.8.3 At any time while an Event of Default is continuing, the Security Agent and its nominee or nominees may sell all or any of the Subsidiary Shares, Investments or Related Rights of the Chargors (or any of them) in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine.
- 13.8.4 If any Chargor receives any dividends, distributions or other monies in respect of its Subsidiary Shares, Investments and Related Rights at a time when the Security Agent has made a request under clause 13.8.1 or taken any steps under clause 13.2 to enforce Security created by or under this deed, the relevant Chargor shall promptly pay such sums received directly to the Security Agent for application in accordance with clause 16 (Application of monies) and shall hold all such sums on trust for the Security Agent pending payment of them to such account as the Security Agent shall direct.

## **14. Receiver**

### **14.1 Appointment of Receiver**

#### **14.1.1**

- (a) At any time whilst an Event of Default is continuing, the Security Agent may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 13.2.3 (Acts of enforcement).
- (b) At any time, if so requested in writing by any Chargor, without further notice, the Security Agent may appoint a Receiver to all or any part of the Secured Assets as if the Security Agent had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.

14.1.2 Any Receiver appointed under this deed shall be the agent of the relevant Chargor and that Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Security Agent be in any way responsible for any misconduct, negligence or default of the Receiver.

14.1.3 Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:

- (a) obtaining a moratorium, or
- (b) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

## **14.2 Removal**

The Security Agent may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and whilst an Event of Default is continuing appoint a new Receiver in the place of any Receiver whose appointment has terminated.

## **14.3 Powers of Receiver**

### **14.3.1 General**

- (a) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 14.3.
- (b) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (c) A Receiver of a Chargor has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- (d) A Receiver may, in the name of any Chargor:
  - (i) do all other acts and things which he may consider expedient for realising any Secured Asset; and
  - (ii) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

### **14.3.2 Borrow money**

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this deed

or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

#### **14.3.3 Carry on business**

A Receiver may carry on the business of any relevant Chargor as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate.

#### **14.3.4 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any relevant Chargor or relating in any way to any Secured Asset.

#### **14.3.5 Delegation**

A Receiver may delegate his powers in accordance with clause 15 (Delegation).

#### **14.3.6 Employees**

For the purposes of this deed, a Receiver as he thinks appropriate, on behalf of the relevant Chargor or for itself as Receiver, may:

- (a) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (b) discharge any such persons appointed by the relevant Chargor.

#### **14.3.7 Leases**

A Receiver may let any Secured Asset for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Secured Assets on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

#### **14.3.8 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the relevant Chargor in relation to any Secured Asset as he considers expedient.

#### **14.3.9 Possession**

A Receiver may take immediate possession of, get in and collect any Secured Asset.

#### **14.3.10 Protection of assets**

A Receiver may, in each case as he may think fit:



- (a) make and effect all repairs and insurances and do all other acts which the relevant Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets;
- (b) commence and/or complete any building operations on the Secured Property or other Secured Asset; and
- (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

#### **14.3.11 Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

#### **14.3.12 Sale of assets**

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture 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 such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

#### **14.3.13 Subsidiaries**

A Receiver may form a Subsidiary of the relevant Chargor and transfer to that Subsidiary any Secured Asset.

#### **14.3.14 Deal with Secured Assets**

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

#### **14.3.15 Voting rights**

A Receiver may exercise all voting and other rights attaching to the Investments, Subsidiary Shares, Related Rights and stocks, shares and other securities owned by that Chargor and comprised in the Secured Assets in such manner as he may think fit.

**14.3.16 Security**

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on that Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver.

**14.3.17 Acquire land**

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

**14.3.18 Development**

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

**14.3.19 Landlord's obligations**

A Receiver may on behalf of a Chargor and without consent of or notice to that Chargor exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

**14.3.20 Uncalled capital**

A Receiver may make calls conditionally or unconditionally on the members of any relevant Chargor in respect of uncalled capital.

**14.3.21 Incidental matters**

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the relevant Chargor for all the purposes set out in this clause 14.

**14.4 Remuneration**

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it.

**15. Delegation**

- 15.1 The Security Agent and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Agent and the Receiver (as appropriate) under this deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Agent and Receiver (as appropriate) may think fit.

- 15.2 The Security Agent and any Receiver will not be liable or responsible to any Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

## **16. Application of monies**

- 16.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed.
- 16.2 All monies received by the Security Agent or any Receiver under this deed shall be applied in the following order:
- 16.2.1 in discharging any sums owing to the Security Agent, any Receiver or any of its or his agents;
  - 16.2.2 in payment of all costs and expenses incurred by the Agent or any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of the Facility Agreement and any other Finance Document;
  - 16.2.3 in or to the Agent to be applied in or toward payment of the Secured Obligations in accordance with clause 33.11.1 (Application) of the Facility Agreement (as varied by clause 33.11.2 of the Facility Agreement); and
  - 16.2.4 the balance (if any) will be applied as required by law.
- 16.3 The Security Agent and any Receiver may place any money received, recovered or realised pursuant to this deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

## **17. Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent or any Receiver, any right or remedy under this deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this deed. No election to affirm this deed on the part of the Security Agent or any Receiver 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.

## **18. Protection of third parties**

- 18.1 No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents has an obligation to enquire of the Security Agent, Receiver or others:
- 18.1.1 whether the Secured Obligations have become payable;
  - 18.1.2 whether any power purported to be exercised has become exercisable;
  - 18.1.3 whether any Secured Obligations or other monies remain outstanding;
  - 18.1.4 how any monies paid to the Security Agent or to the Receiver shall be applied; or

18.1.5 the status, propriety or validity of the acts of the Receiver or Security Agent.

18.2 The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

18.3 In clauses 18.1 and 18.2 purchaser includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

## **19. Additional security**

The Security created by or under this deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by any Finance Party.

## **20. Settlements conditional**

20.1 If the Security Agent (acting reasonably and taking into account advice from English legal counsel) believes that any amount paid by a Chargor or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this deed, such amount shall not be considered to have been paid.

20.2 Any settlement, discharge or release between a Chargor and any Finance Party shall be conditional upon no Security or payment to or for that Finance Party by that Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

## **21. Subsequent Security**

If the Security Agent or any Finance Party receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets (other than a Permitted Security) it may open a new account or accounts for the relevant Chargor in its books. If it does not do so then, unless it gives express written notice to the contrary to the relevant Chargor, as from the time of receipt of such notice by the Security Agent, all payments made by that Chargor to the Security Agent or to any other Finance Party 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 Obligations.

## **22. Set-off**

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

## **23. Notices**

Any communication under this deed or any other Security or Finance Document created by or under this deed, shall be made and given in accordance with the terms of clause 38 (Notices) of the Facility Agreement.

**24. Invalidity**

Clause 40 (Partial invalidity) of the Facility Agreement shall apply to this deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this deed and any Security created by or under it.

**25. Assignment**

The Security Agent may assign or otherwise transfer all or any part of its rights under this deed or any Security created by or under it in accordance with the terms of the Finance Documents.

**26. Releases**

Upon the expiry of the Security Period or, in respect of a disposal of any Secured Assets permitted under the terms of the Facility Agreement, promptly upon such disposal, the Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to:

- 26.1.1 release the relevant Secured Assets from the Security created by and under this deed;
- 26.1.2 reassign and/or transfer to the relevant Chargor the relevant Secured Assets that were assigned herein to the Security Agent;
- 26.1.3 release any relevant Secured Assets held by a Chargor pursuant to the terms of this deed on trust for the Security Agent from such trust; and
- 26.1.4 return all relevant deeds of title and any other material documents delivered to it under this deed.

**27. Currency clauses**

- 27.1 Clause 36.10 (Change of currency) of the Facility Agreement shall apply to this deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this deed and any Security created by or under it and references to the Obligors shall be construed as references to the Chargors.
- 27.2 If a payment is made to the Security Agent under this deed in a currency ("**Payment Currency**") other than the currency in which it is expressed to be payable ("**Contractual Currency**"), the Security Agent may convert that payment into the Contractual Currency at the rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Chargors will remain liable for such shortfall.

**28. Certificates and determinations**

Clause 39.2 (Certificates and determinations) of the Facility Agreement shall apply to this deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this deed and any Security created by or under it and references to the Finance Parties shall be construed as references to the Security Agent

**29. Counterparts**

This deed or any Finance Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this deed or any such Finance Document entered into under or in connection with this deed by e-mail attachment or telecopy shall be an effective mode of delivery.

**30. Governing law**

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

**31. Enforcement**

31.1 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) ("**Dispute**").

31.2 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.

31.3 This clause 31 is for the benefit of the Security Agent. 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 Security Agreement** has been signed on behalf of the Security Agent and executed as a deed by each Chargor and is delivered on the date given at the beginning of this Security Agreement.

**Schedule 1****Properties**

<b>Description</b>	<b>Title Number</b>	<b>Owner</b>
The Grafton Hotel, Tottenham Court Road, London (W1T 5AP) (" <b>Grafton Hotel</b> ")	NGL939873	Edwardian Grafton Hotel Ltd
The Kenilworth Hotel, 94-97 Great Russell Street, London known as Radisson Blu Edwardian Kenilworth Hotel (" <b>Kenilworth Hotel</b> ")	NGL783556	Edwardian Ltd
Marlborough Hotel, 7 to 13 (odd numbers) Bloomsbury Street, London WC1 now known as Radisson Blu Edwardian Bloomsbury Street Hotel (" <b>Bloomsbury Street Hotel</b> ")	NGL348632	Edwardian Bloomsbury Street Limited
Land lying to the east of Fairmont Avenue, London known as Radisson Blu Edwardian New Providence Wharf Hotel (" <b>New Providence Wharf Hotel</b> ")	AGL247042	Edwardian Canary Wharf Hotel Limited
Mercer Street Hotel, 20 Mercer Street, London (WC2H 9HD) (" <b>Mercer Street Hotel</b> ")	LN127310	Edwardian Mercer Street Ltd

**Schedule 2****Subsidiary Shares**

<b>Chargor</b>	<b>Name and registered number of Subsidiary</b>	<b>Number and class of shares</b>
Edwardian Hotel Investments Ltd	Edwardian Grafton Hotel Ltd (registered in England and Wales with number 08664278)	1 ordinary share of £1 each
	Edwardian Bloomsbury Street Limited (registered in England and Wales with number 06507800)	1 ordinary share of £1 each
	Edwardian Canary Wharf Hotel Limited (registered in England and Wales with number 07790049)	1 ordinary share of £1 each
	Edwardian Mercer Street Ltd (registered in England and Wales with number 07789061)	1 ordinary share of £1 each
	Edwardian Ltd (registered in England and Wales with number 02808138)	100 ordinary shares of £1 each



### Schedule 3

#### Occupational Leases

##### Part 1

##### Form of notice of assignment

To: [●]

Dated: [●]

Dear Sirs

#### **The lease described in the attached schedule (the "Lease")**

We hereby notify you that we have assigned to Aareal Bank AG ("**Security Agent**") as security agent for itself and certain financial institutions all our right, title and interest in and to the Lease (including all rental income and other monies payable under the Lease).

We hereby irrevocably and unconditionally authorise and instruct you:

1. to pay all sums payable by you under the Lease to:  
  
Bank: [●]  
  
Account number: [●]  
  
Sort code: [●]
2. to comply with our instructions until such time as you receive notice from the Security Agent to the contrary (such notice to only be served at a time when an event of default has occurred and is continuing pursuant to the loan agreement entered into between, amongst others, us and Aareal Bank AG as agent and original lender ("**Event of Default**")) and at such time without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Lease; and
3. if so directed by the Security Agent in writing (such direction to only be made following an Event of Default) to pay all sums payable by you under the Lease directly to the Security Agent at such account as the Security Agent may specify from time to time.

We remain liable to perform all our obligations [as landlord] under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Lease.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of  
**[●] Limited**

**Schedule**

**[Description of Lease]**

*[Attach form of acknowledgment]*

**Part 2**  
**Form of acknowledgement**

To: Aareal Bank A.G.  
Paulinenstraße 15  
65189 Wiesbaden  
Germany

To: *[name of Chargor]* ("**Chargor**")  
*[address]*

We acknowledge receipt of the notice of assignment ("**Notice**") of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

1. we understand that the Chargor cannot amend, waive or release any provision of the Lease without the prior written consent of the Security Agent except as permitted by the terms of the financing arrangement between you and the Security Agent;
2. we shall act in accordance with the Notice;
3. the Chargor will remain liable to perform all its obligations under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Lease;
4. we will on receipt of notice from the Security Agent make all necessary arrangements for all future payments (following service of the notice) payable under such Lease to be made to the account specified by the Security Agent;
5. as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Lease in favour of any other person; and
6. we do not have and, as at the date of this acknowledgement, we have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Lease.

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English Law.

For and on behalf of  
[Tenant]

## Schedule 4

### Relevant Agreements

#### Part 1

#### Form of notice of assignment

To: [●]

Dated: [●]

Dear Sirs

#### **The agreement described in the attached schedule ("Agreement")**

We hereby notify you that we have assigned to Aareal Bank AG ("**Security Agent**") as security agent for itself and certain financial institutions all our right, title and interest in and to the Agreement.

We hereby irrevocably and unconditionally authorise and instruct you:

1. to pay all sums payable by you under the Agreement directly to our account at:

Bank: [●]

Account number: [●]

Sort code: [●]

or such other account as we may specify from time to time.

2. to comply with our instructions until such time as you receive notice from the Security Agent to the contrary (such notice to only be served at a time when an event of default has occurred and is continuing pursuant to the loan agreement entered into between, amongst others, us and Aareal Bank AG as agent and original lender ("**Event of Default**")) and at such time without notice or reference to, or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Agreement and any rights under or in connection with the Agreement; and
3. if so directed by the Security Agent in writing (such direction to only be made following an Event of Default), to pay all sums payable by you under the Agreement directly to the Security Agent at such account as the Security Agent may specify from time to time.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

Yours faithfully

.....

for and on behalf of  
**[●] Limited**

**Schedule**

Date	Parties	Description
•	•	•

*[Attach form of acknowledgment]*

**Part 2**  
**Form of acknowledgement**

To: Aareal Bank A.G.  
Paulinenstraße 15  
65189 Wiesbaden  
Germany

To: *[name of Chargor]* ("**Chargor**")  
*[address]*

We acknowledge receipt of the notice of assignment ("**Notice**") of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

1. we understand that the Chargor cannot amend, waive or release any provision of the Agreement without the prior written consent of the Security Agent except as permitted by the terms of the financing arrangement between you and the Security Agent;
2. we shall act in accordance with the Notice;
3. as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Agreement in favour of any other person;
4. as at the date of this acknowledgement, we are not aware of any breach by the Chargor of the terms of the Agreement; and
5. we do not have and, as at the date of this acknowledgement, we have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Agreement.

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

For and on behalf of

[●]



## Schedule 5

### Relevant Policies

#### Part 1

#### Form of notice of assignment

To: [insurer]

Dated: [●]

Dear Sirs

#### **The insurance policies described in the attached schedule ("Relevant Policies")**

We hereby notify you that we have assigned to Aareal Bank AG ("**Security Agent**") as security agent for the benefit of itself and certain financial institutions all our right, title and interest in and to the Relevant Policies.

We hereby irrevocably and unconditionally authorise and instruct you:

1. without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Relevant Policies (or any of them); and
2. that, save to the extent you are already required pursuant to the terms of the Relevant Policies to pay sums payable by you under the Relevant Policies (or any of them) directly to the Security Agent, to pay all additional sums payable by you under the Relevant Policies (or any of them) directly to the Security Agent at such account as the Security Agent may specify from time to time (such direction to be made only at a time when an event of default has occurred and is continuing pursuant to the loan agreement entered into between, amongst others, us and Aareal Bank AG as agent and original lender).

Until you receive such further notice from the Security Agent, you will continue to deal with us in relation to the Relevant Policies. Thereafter, we will cease to have any rights to deal with you in relation to the Relevant Policies and from that time you shall deal only with the Security Agent.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of

**[●] Limited**

**Schedule**

<b>Date</b>	<b>Parties</b>	<b>Description</b>
•	•	•

*[Attach form of acknowledgment]*

**Part 2**  
**Form of acknowledgement**

To: Aareal Bank A.G.  
Paulinenstraße 15  
65189 Wiesbaden  
Germany

To: *[name of Chargor]* ("**Chargor**")  
*[address]*

We acknowledge receipt of the notice of assignment ("**Notice**") of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

1. there has been no amendment, waiver or release of any rights or interests in any Relevant Policy since the date of such policy;
2. we have noted the Security Agent's interest as mortgagee on each Relevant Policy;
3. we understand that the Chargor cannot amend, waive or release any provision of any Relevant Policy without the prior written consent of the Security Agent except as permitted by the terms of the financing arrangement between you and the Security Agent;
4. we shall act in accordance with the Notice;
5. as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in any Relevant Policy or the proceeds of any Relevant Policy in favour of any other person; and
6. we do not have and, as at the date of this acknowledgement, we have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to any Relevant Policy.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of  
*[insurance company]*

**Schedule 6****Blocked Accounts****Part 1****Form of notice of charge**

To: *[insert name and address of Account Bank]*

Dated: [●]

Dear Sirs

**Account number:** [●] ("Blocked Account")

**Sort code:** [●]

**Account holder:** [●] Limited

We hereby notify you that we have charged by way of first fixed charge to Aareal Bank AG ("**Security Agent**") as security agent for itself and certain financial institutions all our right, title and interest in and to the monies from time to time standing to the credit of the Blocked Account.

We hereby irrevocably and unconditionally authorise and instruct you:

1. to hold all monies from time to time standing to the credit of the Blocked Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
2. to disclose to the Security Agent such information relating to us and the Blocked Account as the Security Agent may from time to time request you to provide.

We also advise you that:

- (a) we may not withdraw any monies from the Blocked Account without first having obtained the prior written consent of the Security Agent; and
- (b) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of  
[●] Limited

*[Attach form of acknowledgment]*

**Part 2**  
**Form of acknowledgement**

To:           Aareal Bank A.G.  
                Paulinenstraße 15  
                65189 Wiesbaden  
                Germany

To:           [*name of Chargor*] ("**Chargor**")  
                [*address*]

We acknowledge receipt of the notice of charge ("**Notice**") of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

1.       we shall act in accordance with the Notice;
2.       as at the date of this acknowledgement we have not received any notice of assignment or charge over the Chargor's interest in the Blocked Account in favour of any other person; and
3.       we will not exercise any right of combination of accounts, set-off or lien over any monies standing to the credit of the Blocked Account.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of  
[*account holding institution*]

**Schedule 7****Charged Accounts****Part 1****Form of notice of charge**

To: *[insert name and address of account holding institution]*

**Account number:** [●] ("Charged Account")

**Sort code:** [●]

**Account holder:** [●] Limited

We hereby notify you that we have charged by way of first fixed charge to Aareal Bank AG ("**Security Agent**") as security agent for itself and certain financial institutions all our right, title and interest in and to the monies from time to time standing to the credit of the Charged Account.

We hereby irrevocably and unconditionally authorise and instruct you:

1. promptly following receipt of written instructions from the Security Agent (such instructions to only be served at a time when action to accelerate has been taken by the agent pursuant to the loan agreement entered into between, amongst others, us and Aareal Bank AG as agent and original lender) to hold all monies from time to time standing to the credit of the Charged Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct); and
2. to disclose to the Security Agent such information relating to us and the Charged Account as the Security Agent may from time to time request you to provide.

By countersigning this notice, the Security Agent authorises you to permit us to withdraw and otherwise deal with funds standing to the credit of the Charged Account until you receive a notice in writing to the contrary from the Security Agent.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of [●] Limited

Countersigned for and on behalf of  
the Security Agent:

.....

*[Attach form of acknowledgment]*

**Part 2**  
**Form of acknowledgement**

To:       Aareal Bank A.G.  
          Paulinenstraße 15  
          65189 Wiesbaden  
          Germany

To:       [*name of Chargor*] ("**Chargor**")  
          [*address*]

We acknowledge receipt of the notice of charge ("**Notice**") of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

1.       we shall act in accordance with the Notice;
2.       as at the date of this acknowledgement we have not received any notice of assignment or charge or other security over the Chargor's interest in the Charged Account in favour of any other person; and
3.       we will not exercise any right of combination of accounts, set-off or lien over any monies standing to the credit of the Charged Account.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of  
[*account holding institution*]

**SIGNATORIES TO THE SECURITY AGREEMENT**

**The Chargors**

Executed as a deed by **Edwardian** )  
**Hotel Investments Ltd** acting by a )  
director in the presence of: )

.....  
Signature of witness

Name Spencer M. Bosh

Address .....

Executed as a deed by **Edwardian** )  
**Bloomsbury Street Limited** acting )  
by a director in the presence of: )

.....  
Signature of witness

Name Spencer M. Bosh

Address .....

Executed as a deed by **Edwardian** )  
**Mercer Street Ltd** acting by a )  
director in the presence of: )

.....  
Signature of witness

Name Spencer M. Bosh

Address .....



Executed as a deed by **Edwardian** )  
**Canary Wharf Hotel Limited** )  
acting by a director in the presence of: )

Signature of witness

Name SPENCER M. B. [Signature]

Address

Executed as a deed by **Edwardian** )  
**Grafton Hotel Ltd** acting by a )  
director in the presence of: )

Director

Signature of witness

Name SPENCER M. B. [Signature]

Address

Executed as a deed by **Edwardian** )  
**Ltd** acting by a director in the )  
presence of: )

Director

Signature of witness

Name SPENCER M. B. [Signature]

Address

**The Security Agent**

**Aareal Bank AG**

By:

Ulrike Gutzen

Jan Klopp

Address: Paulinenstrasse 15, 65189 Wiesbaden, Germany

Reference: Petra Friedhofer (CTM-TM1)