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in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

144809/13

395

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

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



06754332

Name of company

* Orchid Pubs (Fifteen) II Limited

Date of creation of the charge

13 December 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture between (1) Orchid Pubs (Fifteen) Limited ("Company") (2) Orchid Pubs (Fifteen) Limited, Orchid Pubs (Fifteen) II Limited and Orchid Pubs (Fifteen) III Limited and (3) Bank of Scotland plc as Security Agent ("Deed").

Amount secured by the mortgage or charge

All money or liabilities due, owing or incurred to any Secured Party by any Charging Company or any other Obligor under any Senior Finance Document 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, together with all interest accruing thereon ("Indebtedness").

See definitions in Addendum 2/4

Names and addresses of the mortgagees or persons entitled to the charge

Bank of Scotland plc of The Mound, Edinburgh ("Security Agent")

Postcode EH1 1YZ

Presenter's name address and
reference (if any):

DLA Piper UK LLP
3 Noble Street
London
EC2V 7EE

CV/LS/72718/120058

Time critical reference

For official Use (02/06)
Mortgage Section

Post room



LCJ4V5WG

LD7

23/12/2008

3

COMPANIES HOUSE

TUESDAY

Short particulars of all the property mortgaged or charged

See Addendum 4/4

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

Particulars as to commission allowance or discount (note 3)

N/A

Signed *DAI Mper LLP*

Date *23/12/2008*

On behalf of ~~XXXXXXXXXX~~ [mortgagee/chargee] †

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

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to Companies House.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Name of company

*Insert full name
of Company

* Orchid Pubs (Fifteen) II Limited

Addendum 1/4

1. Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Addendum 2/4

2. Amount due or owing on the mortgage or charge (continued)

Note

In this form:

"Accession Letter" means a document substantially in the form set out in schedule 6 of the Senior Facilities Agreement (*Form of Accession Letter*);

"Acquisition Agreement" means the agreement relating to the sale of certain businesses and assets dated 13 December 2008 between (1) Noble House Leisure Limited, Taipan Taverns Limited, Orchid Pubs Tay Limited, Orchid Pubs Tyne Limited, Orchid Pubs Thames Limited, Orchid Pubs Limited, Orchid Pubs Alaska Limited, Orchid Pubs Operations Limited, Oriental Restaurant Group Limited, Orient Pub Company Limited, Orchid Pubs Veritas Limited and Orchid Pubs Zeus Limited (all in administration) (2) David Christian Chubb, Michael Andrew John Jervis and Colin Michael Trevethyn Haig (3) Orchid Pubs (Fifteen) II Limited and (4) Orchid Pubs (Fifteen) III Limited;

"Additional Borrower" means a company which becomes a Borrower in accordance with clause 24 of the Senior Facilities Agreement;

"Additional Guarantor" means each company which becomes a Guarantor in accordance with clause 24 of the Senior Facilities Agreement;

"Arranger" means Bank of Scotland plc;

"Assigned Agreements" means the Acquisition Agreement, the Insurances, any key person policies and any other agreement designated as an Assigned Agreement by the Company and the Security Agent;

"Book Debts" means all book and other debts arising in the ordinary course of trading;

"Borrower" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"Cash Collateral Accounts" means the Holding Accounts and the Mandatory Prepayment Accounts, each as defined in the Senior Facilities Agreement;

"Charged Property" means the assets mortgaged, charged or assigned to the Security Agent by the Deed;

"Charging Companies" means the Company, Orchid Pubs Fifteen II Limited and Orchid Pubs Fifteen III Limited and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed;

"Collection Accounts" means the accounts of the Charging Companies being account numbers 06115018, 06114998 and 06114971 all with sort code 12-01-03 and/or such other accounts as the relevant Charging Company and the Security Agent shall agree or (following the occurrence of a Declared Default) as the Security Agent shall specify;

Name of company

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* Orchid Pubs (Fifteen) II Limited

"Compliance Certificate" means a certificate substantially in the form set out in schedule 7 of the Senior Facilities Agreement (*Form of Compliance Certificate*);

"Declared Default" means an Event of Default which has resulted in the Facility Agent exercising any of its rights under clause 22.19 (*Acceleration*) of the Senior Facilities Agreement;

"Default Rate" means the rate at which default interest is payable under clause 6.5 (*Default Interest*) of the Senior Facilities Agreement;

"Distribution Rights" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"Event of Default" means means any event or circumstance specified as such in clause 22 (*Events of default*) of the Senior Facilities Agreement.

"Facility Agent" means Bank of Scotland plc;

"Finance Documents" means the Senior Finance Documents;

"Floating Charge Asset" means an asset charged under clause 1.2 (*Floating Charge*);

"Guarantor" means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor

"Group" means the Company and each of its Subsidiaries for the time being but excluding the Propco Group;

"Group Company" means a member of the Group;

"Holding Account" means an account:

- (a) held with the Facility Agent or Security Agent;
- (b) designated by the Company and the Facility Agent as a Holding Account; and
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Security Agent,

(as the same may be redesignated, substituted or replaced from time to time);

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

"Intercreditor Agreement" means the agreement between the Facility Agent, the Company and the Original Borrowers of 13 December 2008;

"Investment" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable) whether owned directly by or to the order of a Charging Company or by

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any trustee, fiduciary or clearance system on its behalf (including, unless the context otherwise requires, the Subsidiary Shares);

"Lender" means:

- (a) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 23 (Changes to the lenders),

which in each case has not ceased to be a Party in accordance with the terms of this agreement;

"Mandatory Prepayment Account" means an interest-bearing account:

- (a) held with the Facility Agent or Security Agent;
- (b) designated by the Company and the Facility Agent as a Mandatory Prepayment Account;
- (c) subject to Security in favour of the Security Agent which Security is in form and substance satisfactory to the Facility Agent and Security Agent; and
- (d) from which no withdrawals may be made by any Group Company except as contemplated by this agreement, (as the same may be redesignated, substituted or replaced from time to time);

"Obligor" means a Borrower or a Guarantor;

"Original Borrowers" means Orchid Pubs (Fifteen) II Limited and Orchid Pubs (Fifteen) III Limited;

"Original Guarantors" means Orchid Pubs (Fifteen) Limited, Orchid Pubs (Fifteen) II Limited and Orchid Pubs (Fifteen) III Limited;

"Original Lender" means Bank of Scotland plc;

"Other Debts" means all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;

"Party" means a party to the Senior Facilities Agreement;

"Premises" means all freehold and leasehold property from time to time owned by a Charging Company or in which a Charging Company is otherwise interested;

"Propco Group" means Orchard Pubs Properties Limited and all of its subsidiaries from time to time;

"Quasi-security" means any security created, or permitted to exist, by an Obligor;

"Receiver" means a receiver and manager or (if the Security Agent so specifies in the relevant appointment) receiver (or equivalent officer appointed in any relevant jurisdiction) in each case appointed under this deed;

"Resignation Letter" means a letter described in clause 24.4 of the Senior Facilities Agreement;

Name of company

*Insert full name
of Company

* Orchid Pubs (Fifteen) II Limited

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Accession Deed" means a deed executed by a Group Company, with those amendments which the Security Agent may approve or reasonably require;

"Security Agent" means the Bank of Scotland plc as security agent for itself and other Secured Parties;

"Secured Parties" means the Senior Finance Parties;

"Senior Facilities Agreement" means the facilities agreement dated 13 December 2008 under which certain lenders have made available £40,000,000 of facilities to the Company and certain other Group Companies;

"Senior Finance Document" means this agreement, any Accession Letter, any Compliance Certificate, any Resignation Letter, any Transaction Security Document, the Intercreditor Agreement any Utilisation Request and any other document designated as a "Senior Finance Document" by the Company and the Facility Agent;

"Senior Finance Parties" means the Facility Agent, an Arranger, the Security Agent, and a Lender;

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 or, where the context requires, within the meaning of Articles 2 and 2A of the Companies (Jersey) Law 1991;

"Subsidiary Shares" means all shares owned by a Charging Company in its Subsidiaries;

"Transaction Security Documents" means each of the documents listed as being a Transaction Security Document in part 1 and part 2 of schedule 2 (*Conditions Precedent*) and any document required to be delivered to the Facility Agent under paragraph 12 of part 3 of schedule 2 (*Conditions Precedent*) together with any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Senior Finance Documents;

"Utilisation Request" means a notice substantially in the relevant form set out in part 1 of schedule 3 of the Senior Facilities Agreement (*Requests*).

Addendum 3/4

3. Names, addresses and descriptions of the mortgages or persons entitled to the charge (continued)

Addendum 4/4

4. Short particulars of all the property mortgaged or charged (continued)

1. **CHARGING CLAUSE**

1.1 **Fixed Charges**

Each Charging Company, as security for the payment of the Indebtedness, charges in favour of the Security

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*insert full name
of Company

* Orchid Pubs (Fifteen) II Limited

Agent with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest:

- 1.1.1 by way of first legal mortgage all freehold and leasehold property (including the property specified in schedule 2 of the Deed) together with all buildings and fixtures (including trade fixtures) on that property; and
- 1.1.2 by way of first fixed charge:
 - 1.1.2.1 all the Subsidiary Shares and Investments and all corresponding Distribution Rights;
 - 1.1.2.2 all other interests (not charged under clause 1.1.1) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
 - 1.1.2.3 all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - 1.1.2.4 all Book Debts and all rights and claims against third parties and against any security in respect of those Book Debts;
 - 1.1.2.5 all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;
 - 1.1.2.6 all monies standing to the credit of its accounts (including the Cash Collateral Accounts, the Nominated Accounts and the Collection Accounts but excluding any account used solely to hold amounts received in respect of the Orchid employee incentive scheme) with any bank, financial institution or other person and all rights related to those accounts;
 - 1.1.2.7 all its intellectual property;
 - 1.1.2.8 the benefit of all consents and agreements held by it in connection with the use of any of its assets;
 - 1.1.2.9 its goodwill and uncalled capital;
 - 1.1.2.10 if not effectively assigned by clause 1.3 (Security Assignment), all its rights and interests in

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* Orchid Pubs (Fifteen) II Limited

(and claims under) the Assigned Agreements.

1.2 Floating Charge

As further security for the payment of the Indebtedness, each Charging Company charges with full title guarantee in favour of the Security Agent by way of first floating charge all its present and future assets not effectively charged by way of first fixed charge under clause 1.1 (Fixed Charges) or assigned under clause 1.3 (Security Assignment), including heritable property and all other assets in Scotland.

1.3 Security Assignment

1.3.1 As further security for the payment of the Indebtedness, each Charging Company assigns absolutely with full title guarantee to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of the relevant Charging Company re-assign the relevant rights, title and interest in the Assigned Agreements to that Charging Company (or as it shall direct).

1.3.2 Until the occurrence of a Declared Default, but subject to clause 5.8 (Assigned Agreements), the relevant Charging Company may continue to deal with the counterparties to the relevant Assigned Agreements.

1.4 Conversion of Floating Charge

If:

1.4.1 a Declared Default has occurred; or

1.4.2 the Security Agent is reasonably of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy,

the Security Agent may, by notice to any Charging Company, convert the floating charge created under this deed into a fixed charge as regards those assets which it specifies in the notice. Each relevant Charging Company shall promptly execute a fixed charge or legal assignment over those assets in the form which the Security Agent requires, but on terms no more onerous to such Charging Company than this deed.

1.5 Automatic Conversion of Floating Charge

If any Charging Company creates (or purports to create) any Security Interest (except as permitted by the

Name of company

*insert full name
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* Orchid Pubs (Fifteen) II Limited

Senior Facilities Agreement or with the prior consent of the Security Agent) on or over any Floating Charge Asset without the prior consent in writing of the Security Agent, or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, the floating charge created under this deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset.

2. CONTINUING SECURITY

2.1 Continuing Security

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Indebtedness or any other matter or thing.

2.2 Other Security

This security 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 Security Agent and/or any other secured party may now or after the date of this deed hold for any of the Indebtedness, and this security may be enforced against each Charging Company without first having recourse to any other rights of the Security Agent or any other secured party.

3. FURTHER ASSURANCE

3.1 General

3.1.1 Each Charging Company shall promptly (and at its own expense) do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

3.1.1.1 to perfect 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, any Receiver or the Secured Parties provided by or pursuant to this deed or by law;

3.1.1.2 to confer on the Security Agent or on the secured parties security over any property and assets of that Charging Company located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this deed; and/or

3.1.1.3 to facilitate the realisation of the assets which are, or are intended to be, the subject of the

Name of company

*insert full name
of Company

* Orchid Pubs (Fifteen) II Limited

Security created by this deed.

3.1.2 Each Charging Company 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 Security Parties by or pursuant to this deed.

4. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

No Charging Company may:

- 4.1 create or permit to subsist any Security or Quasi-Security over all or any part of the Charged Property;
- 4.2 sell, transfer, lease out, lend or otherwise dispose of all or any part of the Charged Property (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or
- 4.3 dispose of the equity of redemption in respect of all or any part of the Charged Property,
- 4.4 except as permitted by the Senior Facilities Agreement or with the prior consent of the Security Agent.

5. UNDERTAKINGS

5.1 Duration of Undertakings

Each Charging Company undertakes to the Security Agent in the terms of this clause 5 from the date of this deed and for so long as any security constituted by this deed remains in force.

5.2 General Undertakings

5.2.1 Charged Property

Except as permitted by the Senior Facilities Agreement, it will observe and perform all material covenants and stipulations from time to time affecting the Charged Property, make all payments, carry out all registrations or renewals and generally take all steps which are necessary to preserve, maintain and renew when necessary or desirable all the Charged Property.

5.2.2 Maintenance

It will keep all Premises, plant, machinery, fixtures, fittings, vehicles, computers and other equipment comprised in the Charged Property in good and substantial repair and in good working

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order (as applicable).

5.3 Property Undertakings**5.3.1 Acquisitions**

It will notify the Security Agent promptly in writing of the acquisition by it of any freehold, leasehold or other real property.

5.3.2 Inspection

It will permit the Security Agent and any person nominated by the Security Agent to enter (subject to complying with the relevant safety procedures) into and upon any Premises at all reasonable times during business hours and on not less than 24 hours' notice to view the state and condition of the Premises and will remedy any material defect or want of repair forthwith after service by the Security Agent of notice of such defect or want of repair.

5.3.3 Leases

Except as permitted under the Senior Facilities Agreement, it will not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of the Premises or otherwise part with possession of the whole or any part of the Premises.

5.3.4 Forfeiture Notices

It will give immediate notice to the Security Agent if it receives any notice under section 146 of the Law of Property Act 1925 or any proceedings are commenced against it for the forfeiture of any lease comprised in any Premises.

5.4 Collection of Book Debts and Other Debts**5.4.1 Each Charging Company will:**

5.4.1.1 as agent for the Security Agent, collect all Book Debts and Other Debts charged to the Security Agent under this deed, pay the proceeds into a Collection Account (or, in the case of Other Debts, such account (a "Nominated Account") as the Security Agent may nominate) forthwith on receipt and, pending that payment, hold those proceeds on trust for the Security Agent;

5.4.1.2 not charge, factor, discount or assign any of the Book Debts or Other Debts in favour of any

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* Orchid Pubs (Fifteen) II Limited

other person, or purport to do so unless permitted by the Senior Facilities Agreement or with the prior consent of the Security Agent; and

5.4.1.3 where a Collection Account or Nominated Account is not maintained with the Security Agent, use reasonable endeavours to procure that the bank with whom the Collection Account or Nominated Account is maintained signs and delivers to the Security Agent a letter substantially in the form set out in schedule 6 of the Deed.

5.4.1.4 No Charging Company may withdraw all or any monies from time to time standing to the credit of any Nominated Account except with the prior consent of the Security Agent.

5.5 Cash Collateral Accounts

5.5.1 Where a Cash Collateral Account is not maintained with the Security Agent, the relevant Charging Company will use reasonable endeavours to procure that the bank with which that Cash Collateral Account is maintained signs and delivers to the Security Agent a letter substantially in the form set out in schedule 6 of the Deed.

5.5.2 No Charging Company may withdraw all or any monies from time to time standing to the credit of any Cash Collateral Account, unless expressly permitted to do so by the Senior Facilities Agreement or with the prior consent of the Security Agent.

5.6 Title Documents

Each Charging Company will promptly deposit with the Security Agent (or as it shall direct):

5.6.1 Subject to the English Property Undertaking (as described in the Deed) all deeds and documents of title relating to all Premises and if those deeds and documents are with the Land Registry, will promptly deposit them with the Security Agent (or as it shall direct) upon their release;

5.6.2 all stock and share certificates and other documents of title relating to the Subsidiary Shares / Investments (except for the shares in Orchid Properties Structureco Limited held by Orchid Pubs (Fifteen) Limited) together with stock transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and stock transfer forms until the Indebtedness has been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of a Declared Default, to complete, under its power of attorney given by clause 6 (Attorney) below, the stock transfer forms on behalf of the relevant Charging Company in favour of itself or such other person as it shall select;

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of Company

* Orchid Pubs (Fifteen) II Limited

- 5.6.3 at the request of the Security Agent all policies of insurance for the time being charged under this deed; and
- 5.6.4 all other documents relating to the Charged Property which the Security Agent from time to time reasonably requires.

5.7 Voting and Distribution Rights**5.7.1 Until a Declared Default occurs:**

5.7.1.1 the relevant Charging Company shall be entitled to receive and retain all dividends, distributions and other monies paid on or derived from the Subsidiary Shares; and

5.7.1.2 the relevant Charging Company shall be entitled to exercise all voting and other rights and powers attaching to the Subsidiary Shares provided that it shall not exercise any such voting rights or powers in a manner prejudicial to the interests of the Secured Parties under this deed.

5.7.2 At any time when any Subsidiary Shares/Investments are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Subsidiary Shares/Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Subsidiary Shares/Investments.

5.8 Assigned Agreements

Subject to the terms of the Senior Facilities Agreement, each Charging Company will:

- 5.8.1 perform all its obligations under the Assigned Agreements in a diligent and timely manner;
- 5.8.2 not make or agree to make any material amendments to the Assigned Agreements, waive any of its material rights under the Assigned Agreements or exercise any right to terminate any of the Assigned Agreements, except with the prior consent of the Security Agent;
- 5.8.3 promptly after the execution of this deed (or, in respect of Assigned Agreements designated as such after the date of execution of this deed, promptly after the applicable designation date), give notice

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of Company

* Orchid Pubs (Fifteen) II Limited

to the other parties to the Assigned Agreements that it has assigned its rights under the Assigned Agreements to the Security Agent under this deed. Such notice will be given in substantially the form set out in part 1 of schedule 4 of the Deed, except in the case of the Insurances where the notice will be substantially in the form set out in part 2 of schedule 4 of the Deed. Each relevant Charging Company will use all reasonable endeavours to procure that each party served with any such notice countersigns and returns the notice to the Security Agent and keep the Security Agent informed of the progress of its endeavours.

5.9 Retention of Documents

The Security Agent may retain any document delivered to it under clause 5.6 (Title Documents) or otherwise until the security created by this deed is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Charging Company require that the relevant document be redelivered to it and the relevant Charging Company shall promptly comply (or procure compliance) with that notice.

5.10 Power to Remedy

If a Charging Company fails to comply with any covenant set out in clauses 5.2 (General Undertakings) to 5.9 (Retention of Documents) (inclusive) and that failure is not remedied to the satisfaction of the Security Agent within 15 Business Days, it will allow (and irrevocably authorises) the Security Agent or any person which the Security Agent nominates to take any action on behalf of that Charging Company which is necessary to ensure that those covenants are complied with.

5.11 Indemnity

Each Charging Company will indemnify the Security Agent against all losses incurred by the Security Agent as a result of a breach by any Charging Company of its obligations under clauses 5.1 (Duration of Undertakings) to 5.9 (Retention of Documents) (inclusive) and in connection with the exercise by the Security Agent of its rights contained in clause 5.10 (Power to Remedy) above, save for any losses arising as a result of the Security Agent's gross negligence, wilful misconduct or breach of obligation. All sums the subject of this indemnity will be payable by the relevant Charging Company to the Security Agent on demand and if not so paid will bear interest at the Default Rate. Any unpaid interest will be compounded with monthly rests.

6. ATTORNEY

Each Charging Company, by way of security, irrevocably and severally appoints the Security Agent, each Receiver

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of Company

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and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or 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 Security Agent or any Receiver under this deed or otherwise for any of the purposes of this deed, and each Charging Company covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney pursuant to its appointment under this clause.

7. SET-OFF

7.1 Set-Off Rights

Any Secured Party may at any time (without notice to any Charging Company):

- 7.1.1 set-off or otherwise apply sums standing to the credit of any Charging Company's accounts with that Secured Party (irrespective of the terms applicable to those accounts); and
- 7.1.2 set-off any other obligations (whether or not then due for performance) owed by that Secured Party to the relevant Charging Company,
- 7.1.3 against any liability of the relevant Charging Company to the relevant Secured Party under the Finance Documents due and owing at the time of such set-off.

7.2 Different Currencies

A Secured Party may exercise its rights under clause 7.1 (Set-Off Rights) notwithstanding that the amounts concerned may be expressed in different currencies and each Secured Party is authorised to effect any necessary conversions at a market rate of exchange selected by it.



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 6754332
CHARGE NO. 1**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 13
DECEMBER 2008 AND CREATED BY ORCHID PUBS & DINING
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE TO ANY SECURED PARTY BY ANY CHARGING COMPANY
OR ANY OTHER OBLIGOR UNDER THE TERMS OF THE
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1
PART XII OF THE COMPANIES ACT 1985 ON THE 23 DECEMBER
2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 30 DECEMBER
2008

pl 214

