

MR01

Particulars of a charge

232736/91



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

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

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

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08

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

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

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



A19 \*A40QFIS8\*  
07/02/2015 #68  
COMPANIES HOUSE

**1 Company details**

Company number 07578635

Company name in full Dalata Cardiff Limited  
(the "Company")

For official use

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

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 03/02/2015

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

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

Name The Governor and Company of the Bank of Ireland  
(as Security Agent for the Secured Parties)

Name

Name

Name

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

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

MR01

Particulars of a charge

4

**Brief description**

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

All current and future Land and Intellectual Property owned by the Company, in each case as specified (and defined) in the Debenture registered by this form MR01 (the "Debenture") including the property at Maldron Hotel, St Marys Street, Cardiff, CF10 1GD with title number CYM559399. For more details please refer to the Debenture

5

**Other charge or fixed security**

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

**Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

**Negative Pledge**

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

**Trustee statement ①**

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

**Signature**

Please sign the form here

Signature

Signature

X *Hopkin Howells International Ltd* X  
Solicitors for the chargee

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge



### Presenter information

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

Contact name F3/Andrew Taylor/1E0815 000370

Company name Hogan Lovells International LLP

Address Atlantic House

Holborn Viaduct

Post town London

County/Region

Postcode E C 1 A 2 F G

Country United Kingdom

DX 57 London Chancery Lane

Telephone +44 (20) 7296 2000



### Certificate

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



### Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



### Important information

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



### How to pay

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

Make cheques or postal orders payable to 'Companies House'.



### Where to send

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

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

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

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



### Further information

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

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



**FILE COPY**

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

Company number: 7578635

Charge code: 0757 8635 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd February 2015 and created by DALATA CARDIFF LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th February 2015.

Given at Companies House, Cardiff on 13th February 2015



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

DATED

3 February

2015

DALATA UK LIMITED

- and -

DALATA CARDIFF LIMITED

- and -

CRESCENTBROOK LIMITED

- and -

HALLOWRIDGE LIMITED

- and -

ISLANDVALE LIMITED

- and -

TRACKDALE LIMITED

(as Chargors)

- and -

THE GOVERNOR AND COMPANY OF THE BANK OF  
IRELAND  
(as Security Agent)

DEBENTURE

Execution Version



Ref F3/AMT/ELM/4294833 2  
Matter ref 1E0815 000370

Hogan Lovells International LLP  
Atlantic House, Holborn Viaduct, London EC1A 2FG

Save for material redacted pursuant to s859G of the  
Companies Act 2006, I certify that this is a true and  
complete copy of the composite original seen by me

" *Enma Milne* .....

Name ENMA MILNE  
Title Solicitor

Date -06-02-15-

Hogan Lovells International LLP (Ref F3/AMT/ELM)  
Atlantic House, Holborn Viaduct, London EC1A 2FG

SECRET

22/07/2014 14:00:00

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THIS DEBENTURE made on

3 February

2015

BETWEEN:

- (1) The companies named in Schedule 1 (*The Chargors*) as Chargors, and
- (2) **The Governor and Company of the Bank of Ireland** as Security Agent

WITNESSES as follows

1 **DEFINITIONS AND INTERPRETATION**

- 1.1 **Definitions:** Unless the context otherwise requires, words or expressions defined in the Facilities Agreement shall have the same meaning in this Debenture and, in addition, the following words and expressions shall have the following meanings

**"Accounts"** means each Rent Account and Designated Account;

**"Account Bank"** means any bank or other financial institution with which any Account is maintained from time to time,

**"Act"** means the Companies Act 2006,

**"Ancillary Covenants"** means, with respect to a Chargor, all covenants, agreements, undertakings, warranties, bonds, guarantees, indemnities and other agreements the benefit of which is now or hereafter vested in that Chargor in respect of the design, construction, fit-out or maintenance of any building, structure as erection now or hereafter on its Mortgaged Property or of any roads, footpaths or utilities for services now or hereunder abutting or serving its Mortgaged Property or the taking in charge thereof or the payment of any charge or levy in respect thereof;

**"Assets"** means, in relation to a Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them;

**"Business Day"** means a day on which banks are generally open for business in the City of London (excluding Saturdays, Sundays and bank or public holidays),

**"Chargor"** means each company named in Schedule 1 (*The Chargors*) and (with effect from its accession) each other company which executes a Deed of Accession and Charge,

**"Closing Date"** has the meaning given to this term in the Facilities Agreement;

**"Compensation Rights"** means, with respect to a Chargor, all its present and future rights to be paid or receive compensation by reason of any compulsory acquisition, requisitioning or other exercise of compulsory powers in relation to its Secured Assets or any refusal, withdrawal or modification of planning permission or approval relative thereto or any control or limitation imposed upon or affecting the use of its Secured Assets,

**"Deed of Accession and Charge"** means a Deed of Accession and Charge substantially in the form set out in Part 1 of Schedule 4 (*Form of Deed of Accession and Charge for a New Chargor*),

**"Derivative Rights"** includes

- (a) allotments, rights, money or property arising at any time in relation to any of the Securities by way of conversion, exchange, redemption, bonus, preference, option or otherwise,

- (b) dividends, distributions, interest and other income paid or payable in relation to any Securities, and
- (c) stock, shares and securities offered in addition to or substitution for any of the Securities,

**"Designated Account"** has the meaning given in clause 10 (*Material Contracts*) and clause 16 1 (*Crystallisation of Floating Charge*),

**"Event of Default"** has the meaning given to this term in the Facilities Agreement,

**"Facilities Agreement"** means the facilities agreement dated 17 December 2014 made between, amongst others, (1) Dalata Hotel Group p.l.c., (2) the Original Borrowers party thereto (3) the Original Guarantors party thereto, (4) the Arrangers party thereto, (5) the Original Lenders party thereto, (6) The Governor and Company of the Bank of Ireland as Agent and Security Agent in respect of multicurrency term and revolving credit facilities in the aggregate amount of three hundred and eighteen million euro (EUR 318,000,000),

**"Finance Documents"** has the meaning given to this term in the Facilities Agreement,

**"Financial Collateral"** in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations,

**"Financial Collateral Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003, as amended;

**"Fixed Charge Asset"** means an Asset for the time being comprised within an assignment created by clause 3 1 (*Assignments*) or within a mortgage or fixed charge created by clause 3 2 (*Fixed Security*) or arising on crystallisation of a floating charge whether under clause 4 (*Crystallisation*) or otherwise and includes all Assets assigned, mortgaged or charged by the equivalent provisions in any Deed of Accession and Charge,

**"Future Property"** means all Land which in the future becomes the property of a Chargor,

**"Floating Charge Asset"** means an Asset for the time being comprised within the floating charge created by clause 3 3 (*Creation of floating charge*) (or by the equivalent provision of any Deed of Accession and Charge) but, in relation to Assets situated in Scotland and charged by clause 3 3(b) (or by the equivalent provision of any Deed of Accession and Charge) only insofar as concerns the floating charge over that Asset,

**"Group"** means the Parent and its Subsidiaries for the time being;

**"Indebtedness"** means any obligation for the payment or repayment of money in any currency, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety or in any other way whatever, and including principal, interest, commission, fees and other charges,

- **"Insurance Policy"** means any contract or policy of insurance of any Chargor (including all cover notes) of whatever nature (excluding any insurances relating to any hotel where a Chargor has been appointed to manage that hotel under a management contract but no Chargor has an insurable interest in that hotel) which are from time to time taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest at any time,

**"Intellectual Property"** means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs

(including in relation to semiconductor products), anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights,

**"Intellectual Property Rights"** means, in relation to a Chargor, all and any of its Intellectual Property and all other intellectual property rights and other rights, causes of action, interests and assets charged by it pursuant to clause 3 2 (*Fixed Security*) (c)(xii) to (xvii) inclusive,

**"Land"** includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures),

**"Lenders"** means the banks and financial institutions listed in Schedule 3 (*Details of the Lenders*), and (with effect from an assignment or transfer being effected to it in accordance with clause 33 (*Transfer by a Secured Party*)) each permitted assignee or transferee,

**"Liability"** means any liability, damage, loss, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise,

**"MATERIAL CONTRACTS" MEANS, WITH RESPECT TO A CHARGOR, THE CONTRACTS SPECIFIED IN**

Schedule 7 (*The Matenal Contracts*) opposite or under its name as from time to time modified, amended, varied, supplemental or novated with the full benefit of all negotiable or non-negotiable instruments, guarantees, indemnities, debentures, mortgages, charges, liens and other security in respect of the same, all remedies provided for in same or available at law or in equity in relation to the same, the right to compel performance of some and all other rights, interests, and benefits whatsoever accruing to or for its benefit arising from the same, including all rights and the proceeds of all claims arising from or in connection with the decision or avoidance of the same,

**"Mortgaged Property"** means Scheduled Property, Unregistered Property and Future Property,

**"New Chargor"** means a member of the Group which becomes Chargor under the Debenture in accordance with clause 34 (*Accession of a New Chargor*),

**"New Subsidiary"** means, in relation to a Chargor, any Subsidiary which is incorporated or becomes a Subsidiary of such Chargor after the date of this Debenture,

**"Occupational Leases"** means all leases, licences, agreements for lease or licence and other agreements for the occupation, possession or use of the whole or any part or parts of the Mortgaged Property subject to which the interest of a Chargor in its Mortgaged Property is now or from time to time hereafter held,

**"Parent"** means Dalata Hotel Group p l c a public listed company incorporated in the Republic of Ireland with registered number 534888,

**"Party"** means a party to this Debenture,

**"Permitted Security"** has the meaning given to this term in the Facilities Agreement,

**"Permitted Transaction"** has the meaning given to this term in the Facilities Agreement,

**"Receivables"** means, in relation to a Chargor, all sums of money receivable by it now or in the future consisting of or payable under or derived from any Asset described in clause 3 2 (*Fixed Security*),

**"Receiver"** means a receiver or a receiver and manager appointed under clause 20.1 (*Appointment*) and (where the context requires or permits) includes any substituted receiver or receiver and manager,

**"Relevant System"** has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether established in the United Kingdom or elsewhere) providing means for the deposit of, and clearance of transactions in, Securities,

**"Rent"** means, with respect to a Chargor, all monies now or hereafter payable to or for the benefit of that Chargor in connection with the letting, licensing or usage of its Mortgaged Property or any part of it including (without limiting the foregoing) all of the following amounts payable to or for the benefit of that Chargor under its Occupational Leases or otherwise in respect of its Mortgaged Property or any part of it

- (a) all rents and licence fees,
- (b) all premiums, key monies and other like sums payable on the making, surrender or variation of any letting or licence,
- (c) all mesne profits,
- (d) all amounts allowed in favour of that Chargor by way of apportionment of rent on the purchase or sale of any part of the Mortgaged Property,
- (e) all interest earned on any deposit held as security for the performance of any tenant's or licensee's obligations to the extent that such interest accrues for the benefit of that Chargor,
- (f) all amounts payable by any guarantor or indemnifier in respect of any of the foregoing,
- (g) all amounts payable under any policy of insurance in respect of any of the foregoing, and
- (h) all interest payable on any of the foregoing,

**"Rent Account"** means such account or accounts as the Security Agent may from time to time specify for the purpose of receiving Rent,

**"Scheduled Property"** means all land in England and Wales now vested in and registered at the Land Registry described in Schedule 2 (*Registered Land to be mortgaged*),

**"Secured Assets"** means all assets, rights, revenues and property of the Chargors or any of them which are the subject of any Security Interest created or evidenced or expressed or intended to be created or evidenced by or pursuant to this Debenture,

**"Secured Liabilities"** means all monies, obligations and liabilities (including, without limitation, in respect of principal, interest, discount, commission, fees and expenses) which are now or at any time hereafter may be or become due, owing or incurred by each Chargor to the Secured Parties or any one or more of them whatsoever or howsoever under, pursuant to or in connection with the Finance Documents.

- (a) whether actually or contingently;
- (b) whether alone or jointly or jointly and severally with any other person(s);

- (c) in whatever style or name,
- (d) whether as principal or surety or otherwise, and
- (e) whether originally due, owing or incurred to the Security Agent or to some other person(s),

and any reference to the "**Secured Liabilities**" includes a reference to any of them. For the avoidance of doubt, the Secured Liabilities shall not include any monies, obligations and liabilities to the extent that the provision of security for the payment and discharge of any such monies, obligations and liabilities under this Debenture would result in such security constituting unlawful financial assistance within the meaning of section 60 of the Companies Act 1963, sections 78 or 679 of the Act,

"**Secured Party**" has the meaning given to this term in the Facilities Agreement,

"**Securities**" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Part II, Schedule 2 of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depositary interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Securities by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise,

"**Security Agent**" means The Governor and Company of the Bank of Ireland acting as security agent and trustee for the Secured Parties and includes any successor appointed by the Lenders pursuant to the Finance Documents;

"**Security Interest**" includes any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, title retention or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

"**Specified Intellectual Property**" means the Intellectual Property listed in Schedule 5 (*Specified Intellectual Property*);

"**Specified Securities**" means, in relation to a Chargor, all Securities

- (a) which now or in the future represent a holding in a Subsidiary of such Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Act "30 per cent or more" were substituted for "a majority";
- (b) which are now or in the future held in the name of the Security Agent or its nominee or to its order; or
- (c) the certificates for which are now or in the future deposited by such Chargor with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee,

"**Subsidiary**" means a subsidiary undertaking within the meaning of section 1162 of the Act and disregarding for this purpose the fact that any shares in that undertaking may be held by way of security and the beneficiary of that security (or a nominee of that beneficiary) may be registered as a member of the relevant undertaking; and

"**Unregistered Property**" means all land in England and Wales vested in any Chargor but not registered at the Land Registry

## 12 Interpretation Unless the context otherwise requires, in this Debenture

- (a) references to a "**Party**" shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees,
- (b) "**including**" and "**in particular**" shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing",
- (c) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (d) "**property**" includes any interest (legal or equitable) in real or personal property and any thing in action,
- (e) "**variation**" includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and "**vary**" and "**varied**" shall be construed accordingly,
- (f) "**writing**" includes telex and facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and "**written**" has a corresponding meaning,
- (g) subject to clause 40.4 (*Variations*) references to this Debenture or to any other document (including any Finance Document) include references to this Debenture or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities made available under such other document and, in addition, references to this Debenture shall include (with effect from the date on which it comes into force) each Deed of Accession and Charge executed pursuant to it,
- (h) the singular shall include the plural and vice versa and any gender shall include the other genders,
- (i) any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances,
- (j) headings are inserted in this Debenture for convenience and shall not affect its interpretation,
- (k) Indebtedness due, owing or incurred under the Finance Documents shall include all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided for therein or the obligations and liabilities imposed thereunder,
- (l) references to uncertificated Securities are to Securities the title to which can be transferred by means of an electronic or other entry in a Relevant System, and references to certificated Securities are to Securities which are not uncertificated Securities

13 **Conflict of terms.** If any conflict arises between the covenants and undertakings, clause 13 (*Land*) and clause 15 (*Intellectual Property Rights*), and the corresponding covenants and undertakings in the Facilities Agreement, the covenants and undertakings given in the Facilities Agreement shall prevail

1 4 **Companies Acts:** Expressions defined in the Act (and not redefined in this Debenture) shall have the same meanings in this Debenture, except that the expression "company" shall include a body corporate established outside Great Britain

1 5 **Statutes:** Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances

1 6 **Joint and Several Liability**

(a) All agreements, obligations, covenants, undertakings, warranties, representations, mortgages and charges herein expressed or implied on the part of the Chargors shall be deemed to be made or undertaken by the Chargors jointly and severally and the act or default of any one of the Chargors shall be deemed to be the act or default of all of them

(b) None of the Chargors shall as against the Security Agent be entitled to any of the rights or remedies legal or equitable of a surety as regards the indebtedness, obligations or liabilities of any of the other of them or be entitled in competition with or priority to the Security Agent to claim or exercise any of the rights (in the nature of contribution or otherwise) of one joint (or joint and several) debtor against another

(c) Each of the Chargors shall be bound even if any person intended or expressed to be bound by this Debenture shall not be so bound

(d) The Security Agent shall be at liberty to release or discharge any one or more of the Chargors from any liability under this Debenture or in respect of its or their interest in the Secured Assets or to take any composition from or make any other arrangements or variation with any one or more of them without thereby releasing or discharging any other or others of them or otherwise prejudicing its rights or remedies against any other or others of them or the Secured Assets

2 **COVENANT TO PAY**

2 1 **Covenant to pay** Each Chargor hereby, as primary obligor and not merely as surety, jointly and severally with each other Chargor, covenants with the Security Agent as trustee for the Secured Parties that it will on the Security Agent's demand pay and discharge all the Secured Liabilities when the same are due to be paid and discharged. Each Chargor acknowledges that the Secured Liabilities shall, in the absence of express written agreement to the contrary, be due and payable on demand

2 2 **Demands:** The making of one demand shall not preclude the Security Agent from making any further demands

2 3 **Proviso:** The covenants contained in this clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law

3 **CHARGING CLAUSE**

3 1 **Assignments:** Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Liabilities, assigns absolutely to the Security Agent

(a) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies,

- (b) all its right, title and interest from time to time in respect of the Ancillary Covenants,
- (c) all its right, title and interest in and to and the full benefit of its Rent,
- (d) all its rights, title and interest from time to time in respect of its Compensation Rights, and
- (e) all its rights, title and interest from time to time in respect of its Material Contracts

3.2 **Fixed Security.** Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Liabilities, charges to the Security Agent:

- (a) by way of legal mortgage, all Scheduled Property,
- (b) by way of legal mortgage, all Unregistered Property,
- (c) by way of fixed charge,
  - (i) all Future Property,
  - (ii) all interests and rights in or relating to Land or the proceeds of sale of Land now or in the future belonging to it,
  - (iii) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this clause 3.2,
  - (iv) all rental, operating, trading and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land or the operation of any hotel business at or in relation to Land,
  - (v) all Specified Securities which are now its property, including all proceeds of sale derived from them,
  - (vi) all Specified Securities in which that Chargor may in the future acquire an interest (legal or equitable), including all proceeds of sale derived from them,
  - (vii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Securities;
  - (viii) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Securities,
  - (ix) where Specified Securities are held in a Relevant System, all its rights against the operator of the Relevant System or any participant in respect of such Specified Securities;
  - (x) all insurance or assurance contracts or policies now or in the future held by or otherwise benefiting it which relate to Fixed Charge Assets or which are now or in the future deposited by it with the Security Agent, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them);
  - (xi) all its goodwill and uncalled capital for the time being,



- (xii) all Specified Intellectual Property belonging to it,
- (xiii) all other Intellectual Property presently belonging to it, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others,
- (xiv) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others,
- (xv) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world,
- (xvi) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world,
- (xvii) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in clauses 3.2(c)(xii) to (xvi) inclusive,
- (xviii) all debts owing to it as described in Schedule 6,
- (xix) all other debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group and all trade debts now or in the future owing to it,
- (xx) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Charge Asset;
- (xxi) all its interests and rights (if any) in or to any money at any time standing to the credit of any Account,
- (xxii) all its interests and rights (if any) now or in the future in or to any pension scheme, and
- (xxiii) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Charge Asset except to the extent that such rights, money or property are for the time being effectively charged by fixed charge under the foregoing provisions of this clause 3.2

**3.3 Creation of floating charge:** Each Chargor, with full title guarantee, charges to the Security Agent as security for the payment or discharge of all Secured Liabilities, by way of floating charge

- (a) all its Assets except to the extent that such Assets are for the time being effectively charged by any fixed charge contained in clause 3.2 (*Fixed Security*) including any Assets comprised within a charge which is reconverted under clause 4.4 (*Reconversion*), and
- (b) without exception, all its Assets insofar as they are for the time being situated in Scotland,

but in each case so that such Chargor shall not create any Security Interest over any such Asset (whether having priority over, or ranking *par passu* with or subject to, this floating charge) or take any other step referred to in clause 6 (*Negative pledge and other*

*restrictions*) with respect to any such Asset, and such Chargor shall not, without the consent of the Security Agent, sell, transfer, part with or dispose of any such Asset except by way of sale in the ordinary course of its business

**3 4 Priority**

- (a) Any fixed Security Interest created by a Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3 3 (*Creation of floating charge*)
- (b) Any Security Interest created in the future by a Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture

**3 5 Application to the Land Registry: Each Chargor**

- (a) in relation to each register of title of any present and future land of that Chargor which is charged to the Security Agent under this Debenture or pursuant to clause 7 (*Further Assurance*) consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry
  - (i) a Form AN1 (*Application to enter an agreed notice*) in respect of the security created by this Debenture,
  - (ii) a Form RX1 (*Application to register a restriction*) in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Chargee] referred to in the charges register or their conveyancer", and
  - (iii) submitting a Form CH2 (*Application to enter an obligation to make further advances*); and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by clause 3 2(b) (*Fixed Security*) at its own expense, immediately following its execution of this Debenture

**3 6 Right of redemption:** Upon the payment or discharge of all Secured Liabilities and the Secured Parties having no further obligation (whether actual or contingent) to make advances or provide other financial accommodation under the Finance Documents or otherwise, the Security Agent shall on request by a Chargor (at the Chargor's cost) release its Assets from the charges created by clause 3 (*Charging Clause*) of this Debenture. Such release shall not prejudice the rights of the Security Agent under clause 24 3 (*Retention of security*) and clause 28 (*Costs, expenses and liabilities*)

**4 CRYSTALLISATION**

**4 1 Crystallisation by notice:** The floating charge created by each Chargor in clause 3 3 (*Creation of floating charge*) may, subject to clause 4 5 (*Moratorium Assets*), be crystallised into a fixed charge by notice in writing given at any time by the Security Agent to the relevant Chargor (or to the Parent on its behalf). Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the relevant Chargor

**4 2 Automatic crystallisation** If, without the Security Agent's prior written consent

- (a) any Chargor resolves to take or takes any step to
  - (i) charge or otherwise encumber any of its Floating Charge Assets,
  - (ii) create a trust over any of its Floating Charge Assets, or
  - (iii) dispose of any Floating Charge Asset, except by way of sale in the ordinary course of such Chargor's business, or
- (b) any person resolves to take or takes any step to levy any distress, execution, sequestration or other process against any Floating Charge Asset,

then the floating charge created by clause 3 3 (*Creation of floating charge*) shall, subject to clause 4 5 (*Moratorium Assets*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset

**4 3 Future Floating Charge Assets:** Except as otherwise stated in any notice given under clause 4 1 (*Crystallisation by notice*) or unless such notice relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by any Chargor after crystallisation has occurred under clause 4 1 (*Crystallisation by notice*) or 4 2 (*Automatic crystallisation*) shall become subject to the floating charge created by clause 3 3 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the relevant Floating Charge Assets in existence at the date of crystallisation

**4 4 Reconversion:** Any charge which has crystallised under clause 4 1 (*Crystallisation by notice*) or 4 2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Security Agent to the relevant Chargor, be reconverted into a floating charge in relation to the Assets specified in such notice

**4 5 Moratorium Assets:** The floating charge created by each Chargor in clause 3 3 (*Creation of floating charge*) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 in Schedule A1 of the Insolvency Act 1986

**5 TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS**

Subject to the rights of any prior chargee and except as otherwise expressly agreed in writing by the Security Agent, each Chargor shall.

- (a) deposit with the Security Agent, and the Security Agent shall be entitled to retain during the continuance of this Debenture, all deeds and documents of title relating to all its Fixed Charge Assets, including policies of insurance and assurance, certificates of registration and certificates constituting or evidencing Specified Securities and Intellectual Property Rights,
- (b) execute and deliver to the Security Agent such documents and transfers and give such instructions and perform such other acts as the Security Agent may require at any time to constitute or perfect an equitable or legal charge (at the Security Agent's option) over its Specified Securities, including any eligible to participate in a Relevant System

**6 NEGATIVE PLEDGE AND OTHER RESTRICTIONS**

**6 1** Except as permitted under clause 6 2 below, no Chargor shall

- (a) create, or agree or attempt to create, or permit to subsist, any Security Interest (except under this Debenture) or any trust over any of its Assets, or permit any lien to arise or subsist over any of its Assets, or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Charge Assets, or part with possession or ownership of them, or purport or agree to do so

6.2 Clause 6.1 shall not apply to any Security Interest which is Permitted Security or a Permitted Transaction

## 7 FURTHER ASSURANCE

Each Chargor shall, on the Security Agent's written demand, execute and deliver to the Security Agent at the cost of such Chargor and in such form as the Security Agent may require

- (a) a legal mortgage of any Land in England and Wales now or in the future belonging to it,
- (b) a fixed charge over any interest, not capable of being charged by way of legal mortgage, in any Land now or in the future belonging to it,
- (c) a legal assignment or other fixed security over all or any of its Intellectual Property Rights or Receivables,
- (d) a legal or equitable charge (at the Security Agent's option) over all or any of its Securities and/or Derivative Rights,
- (e) a chattel mortgage over such of its chattels, plant, machinery, computers and/or other equipment as the Security Agent may specify,
- (f) a fixed charge or other fixed security over any Asset which is subject to a floating charge under this Debenture,
- (g) all assignments, transfers, mortgages, charges, notices and instructions;
- (h) where any Asset is situated outside England and Wales, such fixed security under the law of the place where the Asset is situated as the Security Agent may require; and
- (i) such other documents as the Security Agent may in its discretion think fit further to secure the payment of the Secured Liabilities, or to perfect this Debenture, or to vest title to any Asset in itself or its nominee or any purchaser

## 8 RIGHT OF APPROPRIATION

8.1 **Financial Collateral Arrangement:** The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations

8.2 **Right of appropriation.** The Security Agent may, on or at any time after the security constituted by this Debenture becomes enforceable, by notice in writing to the relevant Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning

of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Liabilities, whether such Assets are held by the Security Agent or otherwise

8 3 **Value:** The value of any Financial Collateral appropriated under clause 8 2 (*Right of appropriation*) shall be

- (a) in the case of cash, its face value at the time of appropriation, and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent,

as converted, where necessary, into euro at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent

8 4 **Surplus or shortfall:** The Security Agent will account to the relevant Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Liabilities and the Chargors shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Liabilities

8 5 **Confirmation:** Each Chargor agrees that (i) all its Financial Collateral has been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the Security Agent or a person acting on its behalf, and (ii) the method of valuing such Financial Collateral under clause 8 3 (*Value*) is commercially reasonable

## 9 CONTINUING SECURITY

This Debenture shall be a continuing security for the Secured Parties, notwithstanding any intermediate payment or settlement of accounts or other matter whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, or other rights exercisable by any Secured Party as banker against any Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Secured Party

## 10 MATERIAL CONTRACTS

Each Chargor covenants that it shall

- (a) promptly collect all amounts receivable under its Material Contracts and, until payment into an account as provided in sub-clause (b) below, receive and hold the proceeds of collection on trust for the Security Agent as trustee for the Secured Parties
- (b) immediately pay all proceeds of collection of amounts receivable under its Material Contracts into such account(s) (each a "**Designated Account**") as shall from time to time be designated by or otherwise acceptable to the Security Agent for the purpose of receiving the relevant monies. The Security Agent may designate different accounts for different monies
- (c) write (in the form set out in Schedule 10 (*Form of Notice to and Acknowledgement from Contract Counterparties*) or in such other form as the Security Agent may require) to each person who is a party to any of its Material Contracts or who is obliged to pay any monies hereby assigned informing such

addressee of the assignment of its Material Contracts contained in this Debenture and instructing such addressee (i) to remit promptly all such monies to the Security Agent and to continue to do so until such time as such addressee may receive written notice to the contrary direct from the Security Agent, and (ii) to acknowledge direct to the Security Agent receipt of such notice (in the form set out in Schedule 10 (*Form of Notice to and Acknowledgment from Contract Counterparties*) or in such other form as the Security Agent may require)

11     **ACCOUNTS**

If any Account is maintained with a bank or financial institution other than the Security Agent, each Chargor (or the Parent on its behalf) shall forthwith upon the execution of this Debenture or opening of the relevant Account, give notice to the Account Bank substantially in the form set out in Schedule 9 (*Form of Notice to and Acknowledgment of Account Bank*) and use its reasonable endeavours to procure that the Account Bank execute an acknowledgement in the form set out in Schedule 9 (*Form of Notice to and Acknowledgment of Account Bank*)

12     **INSURANCE**

Each Chargor covenants that it shall comply with all the insurance related provisions set out in the Facilities Agreement

13     **LAND**

13.1   **Representations and warranties:** Except as disclosed in writing to the Security Agent, each Chargor represents and warrants that.

- (a)   **Legal and beneficial owner:** it is the legal and beneficial owner of its Land mortgaged by virtue of clause 3.2 (*Fixed Security*),
- (b)   **No breach of law** there subsists no breach of any law or regulation which affects or might affect the value of its Land,
- (c)   **No covenants.** there are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters of any description which adversely affect its Land,
- (d)   **No overriding interest:** nothing has arisen or has been created or is subsisting which would be an overriding interest over its Land,
- (e)   **No right to terminate:** no facility necessary for the use of its Land is available on terms entitling any person to terminate or curtail its use,
- (f)   **No adverse claim:** it has not received notice of any adverse claim by any person in respect of the ownership of its Land or any interest in it,
- (g)   **No security:** its Land is free from any Security Interest (except those created by the this Debenture) or any tenancy or licence,
- (h)   **Repairing obligations:** it is in compliance with its repairing obligations as tenant under the terms of any lease;
- (i)   **Easements:** it has the full unrestricted right to use all easements and facilities necessary for the beneficial occupation of its Land for the current use of that Land,

(j) **Title Numbers**

- (i) the leasehold property known as Maldron Hotel, St Marys Street, Cardiff CF10 1GD is wholly registered under title number CYM559399 and Dalata Cardiff Limited is the registered proprietor of that property;
- (ii) the freehold properties known as (1) 7 City Walk, Leeds LS11 9AT and (2) Land on the north side of Sweet Street, Leeds are wholly registered under title numbers (1) WYK710518 and (2) WYK738152 and Crescentbrook Limited is the registered proprietor of those properties and those properties were transferred to Crescentbrook Limited at market value,
- (iii) the leasehold property known as Bewleys Hotel, Outwood Lane, Mancheser Airport, Manchester, M90 4HL is wholly registered under title number GM904577 and Hallowridge Limited is the registered proprietor of that property and that property was transferred to Hallowndge Limited at market value,
- (iv) the freehold properties known as (1) land known as The Crown Hotel, Cricklewood Broadway, London NW2 3ED and (2) 142 to 150 (even numbers) Cricklewood Broadway are wholly registered under title numbers (1) AGL64579 and (2) NGL201291 and Islandvale Limited is the registered proprietor of those properties and those properties were transferred to Islandvale Limited at market value,
- (v) the freehold properties known as (1) 626 Chiswick High Road, London, (2) land and buildings on the east side of Power Road, Chiswick, (3) land and buildings on the east side of Power Road, Gunnersbury and (4) former electricity substation, Power Road, London are wholly registered under title number (1) NGL45614, (2) MX473660, (3) MX126660 and (4) AGL249218 and Trackdale Limited is the registered proprietor of those properties and those properties were transferred to Trackdale Limited at market value, and

- (k) **Occupational Lease Report.** the occupational lease report on the leasehold property set out in Schedule 2 (*Registered Land to be mortgaged*) prepared by Osborne Clarke LLP was true and accurate in all material respects as at the date of this Debenture

13.2 **Repetition of representations and warranties:** The representations and warranties contained in clause 13.1 (*Representations and warranties*) shall be deemed to be repeated on the date of this Debenture, the Closing Date and at the times set out in paragraph (c) of Clause 21.33 (*Times when representations are made*) of the Facilities Agreement and each representation and warranty deemed to be made after the date of this Debenture shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made

13.3 **Positive covenants:** Each Chargor covenants that it shall

- (a) **Rent.** To use all reasonable endeavours to collect all its Rent immediately after the same becomes due and payable and following the occurrence of an Event of Default which is continuing, pay all proceeds of such collection to the Rent Account and pending such payment hold the same in trust for the Security Agent as trustee for the Secured Parties,

- (b) **Notice to Tenants:** Following the occurrence of an Event of Default which is continuing and if requested by the Security Agent write (in the form set out in Schedule 8 (*Form of Notice to and Acknowledgment of Tenant Notice*) or in such other form as the Security Agent may specify) to the tenants / licensees under such of its Occupational Leases as the Security Agent shall from time to time specify (whether specifically or generally) informing each such addressee of the assignment of Rent in this Debenture and instructing each such addressee (i) to remit promptly to the Rent Account or such other account(s) as the Security Agent may from time to time specify any part of the Rent payable by such addressee and to continue so to do until such time as such addressee may receive written notice to the contrary direct from the Security Agent and (ii) to acknowledge direct to the Security Agent receipt of such instructions,
- (c) **Consents** promptly obtain any consent required for the creation of a fixed charge over its Mortgaged Property,
- (d) **Repair.** keep all its buildings and all its plant, machinery, fixtures, fittings and other effects charged by it under this Debenture in good and substantial repair and in good working order and condition and will not, without the prior written consent of the Security Agent, alter, pull down, remove or dispose of any of them, except in the ordinary course of repair, maintenance or improvement;
- (e) **Information:** promptly provide to the Security Agent such documents or information relating to its Land as the Security Agent may from time to time reasonably require,
- (f) **Payments:** punctually pay or cause to be paid all rates, taxes, levies, charges, duties, assessments, impositions and outgoings assessed, charged or imposed, now or in the future, in respect of its Land or Land in which it has an interest and, when required, produce to the Security Agent proof of such payment,
- (g) **Compliance with applicable laws:** ensure the due observance of all laws, statutes, statutory instruments, regulations and by-laws for the time being in force and all notices, orders and requirements of any competent authority (statutory or otherwise) affecting its Land or Land in which it has an interest or affecting its business or Assets or relating to the protection of the environment or health and safety and carry out all works and give effect to all arrangements which any such authority may direct or recommend,
- (h) **Building operations:** complete with reasonable expedition any building operations relating to its Land approved by the Security Agent, to the satisfaction of the Security Agent and any competent authority and in conformity with all requisite planning and by-law consents;
- (i) **Contracts:** comply with the terms of all agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting its Land or its use or enjoyment and not take any action which, or omit to take any action the omission of which, results in any interest or estate in its Land being adversely affected;
- (j) **Compliance with lease:** punctually pay the rents reserved by and observe and perform the other covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Land and enforce the observance and performance by the landlord or licensor of its material obligations under any such document,



- (k) **Notices, orders and proposals:** supply to the Security Agent copies of any notice, order or proposal affecting its Land in any material respect received by it
  - (i) within seven days of receipt where it is received from any competent authority or tenant, and
  - (ii) within three days of receipt where it is received from any landlord,

and at its cost either punctually comply with such notice or order or (if so requested by the Security Agent) make or join with the Security Agent in making such objections or representations or taking such other steps as the Security Agent may think fit and any compensation received by it as a result shall be charged to the Security Agent and paid to it and applied in or towards the discharge of the Secured Liabilities,

- (l) **Valuation reports:** promptly on receipt, cause a copy of each professional valuation report which it obtains in relation to its Land to be provided to the Security Agent,
- (m) **Notification of non-compliance.** notify the Security Agent, promptly on receipt, of any claim, notice or other communication received by it alleging non-compliance by it in relation to any matter referred to in this clause 13 3,
- (n) **Acquisitions** notify the Security Agent immediately upon its acquisition of any Land, and
- (o) **Access to Land:** permit the Security Agent (but without the Security Agent being under any obligation to do so) to:
  - (i) inspect, at reasonable times and on reasonable notice, any of its Land, and
  - (ii) enter upon all or any of its Land to effect such repairs as the Security Agent may consider necessary, without becoming liable as a mortgagee in possession

**13 4 Negative covenants:** No Chargor shall, without the prior written consent of the Security Agent

- (a) **No building:** carry out any building work on its Land or make any structural alteration to any building on its Land or apply for any planning consent for the development or change of use of its Land, or at any time sever, remove or dispose of any fixture on it;
- (b) **No Change of User:** to do or suffer any operation or change of user on any Land forming part of its Secured Assets or any part thereof which is a "development" within the meaning of section 55(1) of the Town and Country Planning Act 1990 and then only in accordance with all statutory requirements and by-laws governing the same and to comply with all conditions applicable to any permission or approval for the same,
- (c) **No onerous obligations.** enter into onerous or restrictive obligations affecting its Land or create or permit to arise any overriding interest or any easement or right whatever in or over it which might adversely affect its value or the value of the security constituted by this Debenture over it,

- (d) **No leasing:** exercise any power of leasing in relation to its Land, or accept surrenders of leases of its Land, or agree to do so, save for short term letting agreements or the surrender of short term leases and licences and licenses granted in the ordinary course of a Chargor's business (where any rent under such a lease would not exceed €200,000 per annum (or its equivalent in another currency or currencies)),
- (e) **No lease extensions:** extend, renew on substantially different terms or vary any lease or tenancy agreement or give any licence to assign or underlet in relation to its Land (other than the short term letting agreements and licenses mentioned in paragraph (d) above),
- (f) **No elections:** make any election to waive the exemption under paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 in its capacity as landlord of any Land;
- (g) **Possession:** part with possession of its Land (except on the determination of any lease, tenancy or licence granted to it), or
- (h) **No sharing:** share the occupation of its Land with any other person or agree to do so

13 5 **Consolidation of mortgages** Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture

#### 14 **ENVIRONMENT**

Each Chargor covenants that it shall comply with all the provisions related to the Environment set out in the Facilities Agreement

#### 15 **INTELLECTUAL PROPERTY RIGHTS**

15 1 **Positive covenants:** Each Chargor covenants that it shall

- (a) **Consents.** promptly obtain any consent required for the creation of a fixed charge over its Intellectual Property Rights,
- (b) **Protect Intellectual Property Rights:** maintain, protect and safeguard its Intellectual Property Rights and immediately notify the Security Agent if it becomes aware of any infringement or suspected infringement or any challenge to the validity, enforceability or ownership of its Intellectual Property Rights and supply the Security Agent with all information requested by the Security Agent in relation to it,
- (c) **Filings and registrations:** promptly file and register in or with such patent, trade mark or other intellectual property register(s) or authorities as may be available for the purpose (in the UK or elsewhere), in such name as may be required by the law of the place of registration, such of the following as may be capable of filing or registration
  - (i) this Debenture,
  - (ii) all licences of Intellectual Property granted to or acquired by it; and
  - (iii) all future assignments, mortgages and/or charges of Intellectual Property Rights made pursuant to this Debenture,

and maintain or renew such filings and registrations where applicable,

- (d) **Fees** pay all application, registration, renewal and other fees necessary for effecting, protecting, maintaining or renewing such of its Intellectual Property Rights as are registered or applied for and all registrations required to be made under clause 15 1(c) (*Filings and registrations*) at least one month before payment is due, send or deliver to the Security Agent the receipt for every such payment immediately after it has been made, and, if so requested by the Security Agent in writing, procure that any agents acting for it shall agree in writing to notify the Security Agent of any renewal or other fees due in respect of any of the Intellectual Property Rights at least one month before such payment is due or such act or thing must be done,
- (e) **Records** maintain a comprehensive, detailed and up-to-date centralised record of its Intellectual Property Rights (including any agents engaged in connection with them) and provide a copy to the Security Agent every six months and at any time promptly on written request and such record shall contain all its registered Intellectual Property and applications for them and all its material unregistered Intellectual Property,
- (f) **Proceedings** except where the Security Agent has given its specific, written consent to the contrary, in its own name diligently commence and prosecute all proceedings which may be commenced by or in its name and which may be necessary to prevent infringement or continued infringement of its Intellectual Property Rights or to seek damages in respect of such infringement, and
- (g) **Indemnities** indemnify the Security Agent against
  - (i) all Liabilities arising as a result of Intellectual Property Rights infringing any third party rights, and
  - (ii) all Liabilities arising from or in connection with proceedings brought against the Security Agent or to which the Security Agent may be joined, whether as plaintiff or defendant, which relate to infringement or ownership of its Intellectual Property Rights

15 2 **Authorisations:** Without prejudice to its obligations under clause 15 1(b), (d) and (e) above, each Chargor irrevocably authorises the Security Agent to effect such registrations, renewals, payments and notifications or carry out such acts or things at the expense of such Chargor as shall, in the opinion of the Security Agent, be necessary or prudent to protect the Security Agent's interest in relation to its Intellectual Property Rights or to protect or maintain its Intellectual Property Rights or any of them. Such Chargor shall give the Security Agent all such reasonable assistance as it may request. Each Chargor hereby appoints the Security Agent as its authorised agent to make any filings, registrations or renewals referred to in clause 15.1(c) and 15 1(d) at the UK Patent Office or otherwise as the Security Agent shall see fit.

15 3 **Negative covenants** No Chargor shall, without the prior written consent of the Security Agent:

- (a) **No disposals etc:** sell, assign, lease, license, sub-license or grant any interest in its Intellectual Property Rights, or purport or agree to do so, or part with possession or ownership of them, or allow any third party access to, or the right to use or exploit, any Intellectual Property Rights,

- (b) **Contracts.** enter into any contract or arrangement for supply or otherwise whereby any third party obtains any assignment of or any right or licence in relation to its Intellectual Property Rights on the occurrence or non-occurrence of any future event or circumstance,
- (c) **Trade marks:** amend the specification of any registered trade mark included in its Intellectual Property Rights or authorise or permit any third party to register any trade mark which is the same as or confusingly similar to any such trade mark in respect of goods or services which are the same as or similar to the goods or services for which such trade mark is registered,
- (d) **Patents** amend the specification or drawings referred to in any granted patent, or
- (e) **Security Agent's name:** use the Security Agent's name in or join the Security Agent into any proceedings relating to infringement or ownership of its Intellectual Property Rights

## 16 BOOKS DEBTS

- 16 1 **Crystallisation of Floating Charge** In the event that the floating charge hereby created is converted or crystallised into a fixed charge as regards any or all of its present and future book and other debts pay into its account with the Security Agent or such other account(s) as the Security Agent may from time to time designate or approve (each a "**Designated Account**") all monies which it receives, in respect of such debts forthwith on receipt and pending such payment hold such monies on trust for the Security Agent as trustee for the Secured Parties and not withdraw any such monies from such account(s) without the prior consent of the Security Agent
- 16 2 **Legal Assignment.** If called upon to do so by the Security Agent, execute and deliver to the Security Agent a legal assignment of its present and future book and other debts on such terms as the Security Agent may require and give notice thereof to the debtors from whom the same are due owing or incurred and take any other steps as the Security Agent may require to perfect such legal assignment

## 17 SPECIFIED SECURITIES

- 17 1 **Voting and other rights** Each Chargor undertakes not to exercise any voting powers or rights in a way which may prejudice the value of its Specified Securities or otherwise jeopardise the security constituted by this Debenture over them
- 17.2 **Before enforcement** Unless and until this Debenture becomes enforceable:
  - (a) all voting powers and rights attaching to Specified Securities belonging to a Chargor shall continue to be exercised by such Chargor for so long as it remains their registered owner and such Chargor shall not permit any person other than such Chargor, the Security Agent or the Security Agent's nominee to be registered as holder of such Specified Securities or any part of them; and
  - (b) if Specified Securities belonging to a Chargor are registered in the name of the Security Agent or the Security Agent's nominee, all voting powers and rights attaching to them shall be exercised by the Security Agent or the Security Agent's nominee in accordance with instructions in writing from time to time received from such Chargor and, in the absence of any such instructions, the Security Agent or the Security Agent's nominee shall not exercise any such rights

**17 3 After enforcement** At any time after this Debenture has become enforceable

- (a) the Security Agent may, for the purpose of protecting its interests in relation to the Secured Liabilities, exercise (but is not obliged to exercise) in the name of a Chargor or otherwise and without any further consent or authority on the part of any Chargor, all voting powers and rights attaching to the Specified Securities as it sees fit, including any rights to nominate or remove a director, as if the Security Agent were the sole beneficial owner of the Specified Securities,
- (b) all Dervative Rights shall, if received by a Chargor or the Security Agent's nominee, be held on trust for and forthwith paid or transferred to the Security Agent, and
- (c) each Chargor shall (and shall procure that the Security Agent's nominees shall) accept short notice for and attend any shareholders meetings relating to the Specified Securities, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Securities as the Security Agent may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Liabilities

For the avoidance of doubt, unless and until the Security Agent takes any steps to exercise any voting powers or rights attaching to the Specified Securities after becoming entitled (but not obliged) to do so under this clause 17 3, all such powers and rights remain with the relevant Chargor

- 17 4 Negative covenants** Each Chargor covenants with the Security Agent that it will not, without the prior written consent of the Security Agent consent to its Specified Securities being consolidated, sub-divided or converted or any rights attached to them being varied

**18 OPENING OF NEW ACCOUNTS**

- 18 1 Creation of new account:** On receiving notice that any Chargor has created a Security Interest over or otherwise encumbered or disposed of any of its Assets, a Secured Party may rule off all its accounts and open new accounts with such Chargor

- 18 2 Credits to new account:** If a Secured Party does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to such Secured Party shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from the Chargor to such Secured Party at the time when it received such notice

**19 POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS**

- 19 1 Section 103 of the LPA:** Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Security Agent shall not exercise such power of sale until this Debenture has become enforceable.

- 19 2 Powers of sale extended.** The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Agent by virtue of this Debenture are extended so as to authorise the Security Agent (whether in its own name or that of the Chargor concerned) to:

- (a) grant a lease of any Land vested in a Chargor or in which it has an interest on such terms and conditions as the Security Agent shall think fit, and
- (b) sever any fixtures from Land vested in a Chargor and sell them separately

20 **APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR**

20 1 **Appointment:** Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture At any time after

- (a) the occurrence of an Event of Default which is continuing,
- (b) the Security Agent demands payment in writing of any Secured Liability,
- (c) a step or proceeding is taken for the appointment of an administrator, liquidator or provisional liquidator in relation to a Chargor,
- (d) notices to creditors are sent out under section 98 of the Insolvency Act 1986 in relation to a Chargor,
- (e) a proposal is made in relation to a Chargor for a voluntary arrangement under Part I of the Insolvency Act 1986,
- (f) a step or proceeding is taken in relation to a Chargor with a view to seeking a moratorium, or
- (g) a request has been made by the Parent and/or a Chargor to the Security Agent for the appointment of a Receiver or an administrator over its Assets or in respect of a Chargor,

then this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between such Chargor and any Secured Party, the Security Agent may, unless precluded by law, appoint in writing any person or persons to be a receiver or a receiver and manager, receivers or receivers and managers of all or any part of the Assets of such Chargor or an administrator or administrators of such Chargor, as the Security Agent may choose in its entire discretion

20 2 **Power to act separately:** Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary

20 3 **Receiver's remuneration.** The Security Agent may from time to time determine the remuneration of a Receiver

20 4 **Removal of Receiver:** The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver

20 5 **Further appointments of a Receiver:** Such an appointment of a Receiver shall not preclude

- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act, or
- (b) the appointment of an additional Receiver to act while the first Receiver continues to act.

20 6 **Receiver's agency:** The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until such Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or the Lenders

21 **POWERS OF A RECEIVER**

21 1 **General:** The Receiver may exercise, in relation to each Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the relevant Chargor, without the need to observe any of the provisions of sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Securities or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of such Chargor,
- (b) promote the formation of a Subsidiary of the relevant Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of such Chargor,
- (c) sever any fixtures from Land and/or sell them separately;
- (d) exercise all voting and other rights attaching to Securities owned by the relevant Chargor,
- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of the relevant Chargor by any such Subsidiary contemplated by clause 20 1(c) (*Appointment*) on a basis whereby the consideration may be for cash, Securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit;
- (f) make any arrangement or compromise with any Secured Party or others as he shall think fit,
- (g) make and effect all repairs, renewals and improvements to the Assets of the relevant Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit;
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine,
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver,
- (j) pay the proper administrative charges of any Secured Parties in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the relevant Chargor;
- (k) commence and/or complete any building operations upon any Land of the relevant Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit;

- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of the relevant Chargor's Intellectual Property Rights, and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets

## 22 POWER OF ATTORNEY

22 1 **Appointment of attorney:** Each Chargor, by way of security, hereby irrevocably appoints the Security Agent (whether or not a Receiver or administrator has been appointed) and separately, any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to

- (a) execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document,
- (b) give any instruction under the rules and practices of a Relevant System, and
- (c) perform any other act of any description,

which may be required of such Chargor under this Debenture or may be deemed by such attorney necessary or desirable for any purpose of this Debenture or to constitute, enhance or perfect the security intended to be constituted by it or to convey or transfer legal ownership of any Assets. The appointment contained in this clause 22 1 shall automatically take effect upon this Debenture becoming enforceable

22 2 **Ratification** Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

22 3 **Sums recoverable** All sums expended by the Security Agent, any nominee and/or any Receiver under this clause 22 shall be recoverable from each relevant Chargor under clause 28 (*Costs, expenses and liabilities*)

## 23 OTHER POWERS EXERCISABLE BY THE SECURITY AGENT

23 1 **Receiver's powers:** All powers of the Receiver conferred by this Debenture may be exercised by the Security Agent after this Debenture has become enforceable. In that event, clause 21 1(i) (*Powers of Receiver*) shall be read and construed as if the words "be charged on the Assets of the relevant Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver".

23 2 **Receipt of book debts:** The Security Agent, its nominee or any manager, officer or agent of the Security Agent is hereby irrevocably empowered to:

- (a) receive all book debts and other debts and claims which may be assigned to the Security Agent pursuant to clause 7 (*Further assurance*),
- (b) on payment to give an effectual discharge for them and on non-payment to take and institute (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of the relevant assignor or in the name of the Security Agent for their recovery; and
- (c) agree accounts and to make allowances and to give time to any surety



The relevant assignor ratifies and confirms whatever the Security Agent or any manager or officer of the Security Agent shall do or purport to do under this clause 23

23 3 **Security Agent's powers:** The Security Agent shall have no liability or responsibility to any Chargor arising out of the exercise or non-exercise of the powers conferred on it by this clause 23, except for gross negligence or wilful default

23 4 **No duty of enquiry:** The Security Agent need not enquire as to the sufficiency of any sums received by it in respect of any book debt or other debt or claim so assigned to it or make any claim or take any other action to collect in or enforce them

#### 24 APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER

24 1 **Order of priority:** Any money received or realised under the powers conferred by this Debenture shall be paid or applied in accordance with clause 32.1 (*Order of application*) of the Facilities Agreement

24 2 **Suspense account:** The Security Agent may, at any time after demand and until the irrevocable and unconditional payment to the Security Agent of all Secured Liabilities, place and keep to the credit of a suspense account any money received or realised by the Security Agent by virtue of this Debenture. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any Secured Liability

24 3 **Retention of security:** the Security Agent may keep any security held by it in respect of any Chargor's liability under the Finance Documents in order to protect the Secured Parties against any possible claim under insolvency law for up to three years after all Secured Liabilities have been satisfied. If a claim is made against a Secured Party within that period, the Security Agent may keep the security until that claim has finally been dealt with.

#### 25 PROTECTION OF THIRD PARTIES

25 1 **No duty to enquire** No purchaser from, or other person dealing with, the Security Agent its nominee or any Receiver or administrator shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Security Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters

25 2 **Receipt.** The receipt of the Security Agent 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 money paid to or by the direction of the Security Agent

#### 26 PROTECTION OF THE SECURITY AGENT ANY NOMINEE AND RECEIVER

26 1 **Limitation** Neither the Security Agent nor any nominee or Receiver shall be liable in respect of any Liability which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and insofar as such Liability results from its or his own gross negligence or wilful default.

26 2 **Entry into possession** Without prejudice to the generality of clause 26 1 (*Limitation*), none of the Security Agent, any nominee or any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him

respectively. If and whenever the Security Agent or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession

27 **SECURITY AGENT**

27.1 **Security Agent as trustee.** The Security Agent declares itself to be a trustee of this Debenture (including all Security Interests created herein and any other Security Interest created in its favour pursuant to this Debenture) for the Secured Parties. The retirement of the person for the time being acting as Security Agent and the appointment of a successor shall be effected in the manner provided for in the Facilities Agreement

27.2 **Trustee Act 2000** The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000

27.3 **No partnership:** Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Lenders and the Security Agent

28 **COSTS, EXPENSES AND LIABILITIES**

28.1 **Costs and expenses.** Each Chargor will, promptly on the Security Agent's written demand from time to time, reimburse the Security Agent for all reasonable costs and expenses (including legal fees) on a full indemnity basis, together with VAT thereon, incurred by it in connection with

- (a) the negotiation, preparation and execution of this Debenture,
- (b) any amendment of this Debenture, and
- (c) the completion of the transactions and perfection of the Security Interests contemplated in this Debenture

28.2 **Enforcement costs.** Each Chargor will, within three Business Days of the Security Agent's written demand, pay to the Security Agent, for each Secured Party on a full indemnity basis, the amount of all costs and expenses (including legal, valuation, accountancy and consultancy fees and disbursements and out-of-pocket expenses) and any VAT thereon incurred by the Security Agent and/or any other Secured Party in connection with the exercise, enforcement and/or preservation of any of its rights under this Debenture (or any document contemplated therein) or any proceedings instituted by or against the Security Agent, in any jurisdiction

28.3 **Indemnity for Liabilities** Each Chargor shall also, within three Business Days of the Security Agent's written demand, reimburse or pay to the Security Agent, its employees or agents and any nominee, on demand (on the basis of a full indemnity) the amount of all Liabilities incurred by the Security Agent, its employees or agents or any nominee, in connection with:

- (a) any default or delay by such Chargor in the performance of any of its obligations under this Debenture,
- (b) the exercise, or the attempted or purported exercise, by or on behalf of the Security Agent of any of its powers or any other action taken by or on behalf of the Security Agent with a view to or in connection with the recovery of the Secured Liabilities, the enforcement of the Security Interests created by this Debenture or for any other purpose contemplated in this Debenture;

- (c) the carrying out or consideration of any other act or matter which the Security Agent may consider to be conducive to the preservation, improvement or benefit of any Asset, and
- (d) any stamp duty, stamp duty reserve tax or similar tax which may be payable as a result of the execution or performance of this Debenture

**29 INTEREST ON OVERDUE AMOUNTS**

Any overdue amounts secured by this Debenture shall carry interest at the rate and in accordance with the terms contained in the Facilities Agreement in relation to overdue sums or at such other rate as may be agreed between the relevant Chargor and the relevant Secured Party from time to time and (in either case) such interest shall accrue on a day-to-day basis to the date of repayment in full and, if unpaid, shall be compounded on the terms so agreed (or in the absence of such agreed terms) with quarterly rests on the Security Agent's usual quarterly interest days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.

**30 SET-OFF**

A Secured Party may retain any money standing to the credit of any Chargor with such Secured Party in any currency upon any account or otherwise (whether or not in such Chargor's name) as cover for any Secured Liabilities and/or at any time or times without notice to such Chargor combine or consolidate all or any of such money with all or such part of the Secured Liabilities due or owing by it as such Secured Party may select and such Secured Party may purchase with any such money any other currency required to effect such combination or consolidation.

**31: CURRENCY INDEMNITY**

If, for any reason, any amount payable to a Secured Party by a Chargor under this Debenture is paid or recovered in a currency other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment to such Secured Party (when converted into the contractual currency at its then applicable rate of exchange) falls short of the amount payable in the contractual currency, such Chargor shall, as a separate and independent obligation, fully indemnify such Secured Party on demand against the amount of the shortfall.

**32 INFORMATION**

The Security Agent may from time to time seek from any other finance provider to any Chargor such information about such Chargor and its affairs as the Security Agent may think fit. Each Chargor directs any such third party to provide such information to the Security Agent and agrees to provide such further authority for this purpose as the Security Agent may from time to time require.

**33 TRANSFER BY A SECURED PARTY**

**33.1 Transfer: Any Secured Party may at any time**

- (a) assign any of its rights under the Finance Documents; or
- (b) transfer by novation any of its rights and obligations under the Finance Documents,

to any person permitted by the Facilities Agreement

33 2 **Disclosure:** Each Chargor irrevocably authorises each Secured Party, at its discretion, at any time or from time to time, to disclose any information concerning such Chargor, this Debenture and the Secured Liabilities

- (a) to any associated company of such Secured Party,
- (b) to any prospective assignee or transferee referred to in clause 33 1 (*Transfer*) and any other person considered by such Secured Party to be concerned in the prospective transaction, and
- (c) to any person who, as part of the arrangements made in connection with any transaction referred to in clause 33 1 (*Transfer*), requires such information after the transaction has been effected

The above authority is without prejudice to a Secured Party's right of disclosure implied by law

#### 34 **ACCESSION OF A NEW CHARGOR**

34 1 **Method:** Any member of the Group may at any time, with the prior written approval of the Security Agent, become a party to this Debenture by delivering to the Security Agent in form and substance satisfactory to it.

- (a) a Deed of Accession and Charge, and
- (b) certified extracts from the minutes of a meeting of its Board of Directors evidencing the due authorisation and execution of the Deed of Accession and Charge and any other conditions precedent required by the Finance Documents

34 2 **New Chargor bound:** The New Chargor shall become a Chargor under this Debenture with effect from the time when the Deed of Accession and Charge takes effect, at which point

- (a) the New Chargor shall become bound by all the terms of this Debenture and shall assume the same obligations as "Chargor" as if it were an original party to this Debenture, and
- (b) the other Chargors shall assume the same obligations in respect of the New Chargor as if it were an original party to this Debenture

#### 35 **AUTHORITY OF THE PARENT**

35 1 **Authority to act for the Chargors:** The Parent is irrevocably authorised by each Chargor at any time, with the Security Agent's prior written agreement

- (a) to add any further member of the Group as a Chargor under this Debenture,
- (b) to appoint another member of the Group to act as its successor as agent for the Chargors under this clause,
- (c) to give or receive on behalf of the Chargors any notice pursuant to this Debenture,
- (d) to vary the terms of this Debenture; and/or
- (e) to sign any document and perform any act on behalf of each or any Chargor required to effect or implement any of these matters

- 35 2 **Parent's action assumed to be valid** Each act so performed and each document so signed by the Parent shall be binding on each Chargor and the Security Agent may assume that any requisite approvals have been obtained by the Parent from all Chargors

36 **NEW SUBSIDIARIES**

Each Chargor shall, if and whenever required by the Security Agent, promptly cause any New Subsidiary of such Chargor to execute and deliver to the Security Agent such Security Interests over its assets (consistent with the jurisdiction in which its assets are situated) as the Security Agent may require as security for the Secured Liabilities

37 **EVIDENCE OF SECURED LIABILITIES**

A certificate signed (or, where reliance is being placed on it by any third party, appearing to be signed) by an officer of the Security Agent as to the Secured Liabilities for the time being due or owing from a Chargor to a Secured Party shall be treated, in favour of such Secured Party or any person to whom such certificate is issued, as conclusive evidence for all purposes against the relevant Chargor and binding on it (save in the case of manifest error) and such certificate may be relied upon by any Secured Party and any other such person in all circumstances without further enquiry

38 **THIRD PARTY RIGHTS**

- 38 1 **Directly enforceable rights** Pursuant to the Contracts (Rights of Third Parties) Act 1999

- (a) the provisions of clause 30 (*Set-off*), clause 31 (*Currency indemnity*) and clause 33 (*Transfer by a Secured Party*) shall be directly enforceable by a Secured Party,
- (b) the provisions of clause 20 (*Appointment of a Receiver or an administrator*) to clause 26 (*Protection of the Security Agent and Receiver*) inclusive shall be directly enforceable by any nominee or Receiver;
- (c) the provisions of clause 25 (*Protection of third parties*) shall be directly enforceable by any purchaser, and
- (d) clause 37 (*Evidence of Secured Liabilities*) shall be directly enforceable by any person to whom a certificate is issued under clause 37

- 38 2 **Exclusion of Contracts (Rights of Third Parties) Act 1999** Save as otherwise expressly provided in clause 38 1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term (express or implied) of this Debenture, but without prejudice to any right or remedy of the third party which may exist or be available apart from that Act

- 38 3 **Rights of the Parties to vary:** The Parties (or the Parent, on behalf of the Chargors, and the Security Agent) may by agreement vary any term of this Debenture (including this clause 38) without the necessity of obtaining any consent from any other person

39 **JOINT AND SEPARATE LIABILITY**

All covenants, agreements, representations and warranties on the part of the Chargors contained in this Debenture are given by them jointly and separately and shall be construed accordingly

40     **FORBEARANCE, SEVERABILITY, VARIATIONS, WAIVERS, REMEDIES, CONSENTS AND AMENDMENTS**

- 40 1     **Delay etc.** All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Secured Party nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them
- 40 2     **Severability.** No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable
- 40 3     **Illegality, invalidity, unenforceability** Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture
- 40 4     **Variations** No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Secured Parties) and the Parent (on behalf of the Chargors) or by all Parties
- 40 5     **Consents** Save as otherwise expressly specified in this Debenture, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its entire discretion
- 40 6     **Rights cumulative:** The rights, powers and remedies provided in this Debenture are cumulative and not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise
- 40 7     **Protective clause.** Neither the security hereby created nor any of the rights, remedies or powers of the Security Agent or any Secured Party nor the liability of any Chargor for the Secured Liabilities shall be affected by any act, omission or circumstance which but for this provision might operate to release or otherwise diminish or affect them including, without limitation and whether or not known to any Chargor, the Security Agent or any Secured Party.
- (a)     any time or waiver granted to or composition with any person whatsoever, or
  - (b)     the taking, variation, compromise, renewal or release of, or refusal or neglect to perfect or enforce any rights, remedies or securities against or granted by any person whatsoever, or
  - (c)     any variation of, or extension of the due date for performance of, any term of any agreement or security or any increase in the Secured Liabilities to the intent that this Debenture shall apply to such term as varied or in respect of the extended due date or such increase; or
  - (d)     any irregularity, unenforceability, invalidity or frustration of any obligations of any person whatsoever under any agreement or any other document or security, or any present or future law or order of any government or authority (whether right or in fact) purporting to reduce or otherwise affect any of such obligations, to the intent that this Debenture shall remain in full force and be construed accordingly as if there were no such irregularity, unenforceability, invalidity, frustration, law or order; or
  - (e)     any legal limitation, disability, incapacity or other circumstances relating to any person

40 8 **Prior recourse:** Each Chargor waives any right it may have of first requiring the Security Agent or any other Secured Party to proceed against or claim payment from anyone else or enforce any guarantee or security granted by any other person before enforcing this Debenture

40 9 **Other security:** Until all amounts which may be payable or become payable by the Chargors to the Security Agent or any other Secured Party shall have been irrevocably paid and discharged in full, the Security Agent and each other Secured Party may refrain from filing or enforcing any other security, monies or rights held or received by the Security Agent or such other Secured Party in respect of such amounts and the Security Agent or such other Secured Party may apply and enforce the same in such manner and order as the Security Agent or such other Secured Party sees fit (whether against such amounts or otherwise) and the Chargors shall not be entitled to the benefit of the same

40 10 **Waiver of subrogation rights:** Unless otherwise agreed, no Chargor shall be entitled to any right of contribution or subrogation by virtue of any realisation of this security

#### 41 COUNTERPARTS

This Debenture may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single document

#### 42 SERVICE OF DEMANDS AND NOTICES

The provisions of clause 37 (*Notices*) of the Facilities Agreement shall apply hereto as if such terms were set out in full herein *mutatis mutandis*

#### 43 GOVERNING LAW AND JURISDICTION

43 1 **Governing law** This Debenture and all non-contractual obligations arising in any way whatsoever out of or in connection with this Debenture shall be governed by, construed and take effect in accordance with English law

#### 43 2 Jurisdiction of English courts:

- (a) It is agreed in relation to claims brought by a Chargor that the courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including without limitation claims for set-off or counterclaim) or the legal relationships established by this Debenture
- (b) In relation to claims brought by one or more of the Secured Parties the courts of England shall have non-exclusive jurisdiction. Nothing in this clause shall limit the right of any Secured Party to take proceedings against any Chargor in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or otherwise
- (c) Each Chargor irrevocably waives any objections on the ground of venue or inconvenient forum or any similar grounds and irrevocably agrees that any judgment in any proceedings brought in any court referred to in this clause shall be conclusive and binding and may be enforced in any other jurisdiction

**THIS DEBENTURE** has been executed by each Chargor as a deed and signed by the Security Agent and it shall take effect on the date stated at the beginning of this document

**SCHEDULE 1**

**The Chargors**

<b>Name of Chargor</b>	<b>Registered Number (including place of incorporation)</b>	<b>Registered Address</b>
Dalata UK Limited	06574723	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD
Dalata Cardiff Limited	07578635	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD
Crescentbrook Limited	09291867	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD
Hallowndge Limited	09291878	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD
Islandvale Limited	09292990	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD
Trackdale Limited	9292891	Maldron Hotel Cardiff St Marys Street Cardiff Wales CF10 1GD



SCHEDULE 2

Registered Land to be mortgaged

Name of Chargor/Registered Proprietor	Description of Property	Title Number
Dalata Cardiff Limited	Maldron Hotel, St Marys Street, Cardiff CF10 1GD	CYM559399
Crescentbrook Limited	(1) 7 City Walk, Leeds LS11 9AT (2) Land on the North side of Sweet Street, Leeds	(1) WYK710518 (2) WYK738152
Hallowridge Limited	Bewleys Hotel, Outwood Lane, Manchester Airport, Manchester M90 4HL	GM904577
Islandvale Limited	(1) Land known as The Crown Hotel, Cricklewood Broadway, London NW2 3ED (2) 142 to 150 (even numbers) Cricklewood Broadway	(1) AGL64579 (2) NGL201291
Trackdale Limited	(1) 626 Chiswick High Road, London (2) Land and buildings on the east side of Power Road, Chiswick (3) Land and buildings on the east side of Power Road, Gunnersbury (4) Former electricity substation, Power Road, London	(1) NGL45614 (2) MX473660 (3) MX126660 (4) AGL249218

The address for service of the Security Agent in the case of registered land is Bank of Ireland Corporate Banking, Bow Bells House, 1 Bread Street, London EC4M 9BE

**SCHEDULE 3**

**Details of the Lenders**

**Name of Lender and Address**

Allied Irish Banks, p l c

The Governor and Company of the Bank of Ireland

Ulster Bank Ireland Limited

SCHEDULE 4

Part 1

Form of Deed of Accession and Charge for a New Chargor

THIS DEED OF ACCESSION AND CHARGE IS made on

20\*\*

BETWEEN:

- (1) **[\*\*\*Insert the name of the New Chargor\*\*\*]** (registered in [England and Wales] under number [•]) (the "New Chargor"),
- (2) **Dalata Hotel Group p.l.c.** (registered in the Republic of Ireland under number 534888) (the "Parent"), and
- (3) **The Governor and Company of the Bank of Ireland** (the "Security Agent")

WHEREAS:

- (A) This Deed is supplemental to a Debenture (the "**Principal Deed**") dated [\*\*\*insert date\*\*\*] between (1) the Chargor set out the companies named as Chargors in Schedule 1 (*The Chargors*) thereto and (2) the Security Agent as agent and trustee for the Lenders named in Schedule 3 of the Principal Deed (the "**Lenders**")

**[\*\*\*Note: Set out details of any previous Deed of Accession and Charge.\*\*\*]**

- (B) The New Chargor has agreed to charge in favour of the Security Agent, on the terms contained in the Principal Deed, all of its property, undertaking and assets to secure the Secured Liabilities, and to accede to the Principal Deed

THIS DEED WITNESSES as follows

1 **DEFINITIONS AND INTERPRETATION**

- 1.1 **Definitions** Words and phrases defined in the Principal Deed and principles of interpretation provided for in the Principal Deed shall, unless the context otherwise requires or unless otherwise re-defined below, have the same meaning and shall apply (as the case may be) in this Deed

1.2 **Additional definitions** In this Deed:

**"Intellectual Property"** means patents (including supplementary protection certificates), utility models, registered and unregistered trademarks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products), anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights,

**"Intellectual Property Rights"** means, in relation to the New Chargor, all and any of its Intellectual Property and all other intellectual property rights and other rights, causes of action, interests and assets charged by it pursuant to clause 4 (Creation of fixed security) (c)(xii) to (xvii) inclusive,

**"Land"** includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures);

["Specified Intellectual Property" means the Intellectual Property listed in Schedule [\*] (Specified Intellectual Property).]<sup>1</sup>

**2 ACCESSION BY THE NEW CHARGOR TO THE PRINCIPAL DEED**

**2.1 Accession** The New Chargor agrees to be bound by all the terms of the Principal Deed and to perform all obligations of a Chargor under and in accordance with the Principal Deed with effect from the date of this Deed as if it had been an original party to the Principal Deed as a Chargor

**2.2 Covenant to pay** The New Chargor, as primary obligor and not merely as surety, jointly and severally with each other Chargor, covenants with the Security Agent as trustee for the Secured Parties that it will on the Security Agent's demand pay and discharge all the Secured Liabilities when the same are due to be paid and discharged. The New Chargor acknowledges that the Secured Liabilities shall, in the absence of express written agreement to the contrary, be due and payable on demand. No demand made by the Security Agent hereunder shall prejudice or restrict the right of the Security Agent to make further or other demands

**2.3 Parent's agreement to the accession.** The Parent (on behalf of itself and the other members of the Group which are parties to the Principal Deed) hereby agrees to the New Chargor's accession

**2.4 Authorisation of the Parent.** The New Chargor irrevocably authorises the Parent to perform all acts and to sign all documents on its behalf under clause 35 (*Authority of the Parent*) of the Principal Deed in the same terms as if the New Chargor were an original party to it

**3 ASSIGNMENT**

The New Chargor, with full title guarantee, as security for the payment or discharge of all Secured Liabilities, assigns absolutely to the Security Agent

- (a) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies,
- (b) all its right, title and interest from time to time in respect of the Ancillary Covenants;
- (c) all its right, title and interest in and to and the full benefit of its Rent,
- (d) all its rights, title and interest from time to time in respect of its Compensation Rights, and
- (e) all its rights, title and interest from time to time in respect of its Material Contracts

**4 CREATION OF FIXED SECURITY**

The New Chargor, with full title guarantee, as security for the payment or discharge of all Secured Liabilities, charges to the Security Agent

- (a) by way of legal mortgage, all Scheduled Property,
- (b) by way of legal mortgage, all Unregistered Property,

<sup>1</sup> Include if there is any Specified IP charged by the New Chargor

- (c) by way of fixed charge,
- (i) all Future Property,
  - (ii) all interests and rights in or relating to Land or the proceeds of sale of Land now or in the future belonging to it,
  - (iii) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this clause 4,
  - (iv) all rental, operating, trading and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land or the operation of any hotel business at or in relation to Land,
  - (v) all Specified Securities which are now its property, including all proceeds of sale derived from them,
  - (vi) all Specified Securities in which the New Chargor may in the future acquire an interest (legal or equitable), including all proceeds of sale derived from them,
  - (vii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Securities;
  - (viii) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Securities,
  - (ix) where Specified Securities are held in a Relevant System, all its rights against the operator of the Relevant System or any participant in respect of such Specified Securities,
  - (x) all insurance or assurance contracts or policies now or in the future held by or otherwise benefiting it which relate to Fixed Charge Assets or which are now or in the future deposited by it with the Security Agent, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them),
  - (xi) all its goodwill and uncalled capital for the time being,
  - (xii) all Specified Intellectual Property belonging to it,
  - (xiii) all other Intellectual Property presently belonging to it, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
  - (xiv) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others,
  - (xv) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world;
  - (xvi) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world,

- (xvii) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in clauses 3 2(c)(xii) to (xvi) inclusive,
- (xviii) all debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group and all trade debts now or in the future owing to it,
- (xix) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Charge Asset,
- (xx) all its interests and rights (if any) in or to any money at any time standing to the credit of any Account,
- (xxi) all its interests and rights (if any) now or in the future in or to any pension scheme; and
- (xxii) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Charge Asset except to the extent that such rights, money or property are for the time being effectively charged by fixed charge under the foregoing provisions of this clause 4

**5 CREATION OF FLOATING CHARGE**

**5 1 Creation of floating charge.** The New Chargor, with full title guarantee, charges to the Security Agent as security for the payment or discharge of all Secured Liabilities, by way of floating charge

- (a) all its Assets except to the extent that such Assets are for the time being effectively charged by any fixed charge contained in clause 4 (*Creation of Fixed Security*) including any Assets comprised within a charge which is reconverted under clause 4 of the Principal Deed, and
- (b) without exception, all its Assets insofar as they are for the time being situated in Scotland,

but in each case so the New Chargor shall not create any Security Interest over any such Asset (whether having priority over, or ranking *par passu* with or subject to, this floating charge) or take any other step referred to in clause 6 (*Negative pledge and other restrictions*) with respect to any such Asset, and the New Chargor shall not, without the consent of the Security Agent, sell, transfer, part with or dispose of any such Asset except by way of sale in the ordinary course of its business

**5 2 Priority.**

- (a) Any fixed Security Interest created by the New Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3 3 (*Creation of floating charge*)
- (b) Any Security Interest created in the future by the New Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture

**5 3** The parties agree (without limitation to the general nature of the New Chargor's accession to the Principal Deed contained in clause 2) that the crystallisation provisions contained in

clause 4 of the Principal Deed shall equally apply to the floating charge contained in this Deed as if set out in full in this Deed

**6 NEGATIVE PLEDGE AND OTHER RESTRICTIONS**

The New Chargor shall not, without the prior written consent of the Security Agent

- (a) create, or agree or attempt to create, or permit to subsist, any Security Interest (except under the Principal Deed) or any trust over any of its Assets, or permit any lien (other than a lien arising by operation of law in the ordinary course of the New Chargor's business) to arise or subsist over any of its Assets,
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Charge Assets, or part with possession or ownership of them, or purport or agree to do so

**7 RIGHT OF APPROPRIATION**

**7 1 Financial Collateral Arrangement:** The parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Deed will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations

**7 2 Right of appropriation** The Security Agent may, on or at any time after the security constituted by this Deed becomes enforceable, by notice in writing to the New Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Liabilities, whether such Assets are held by the Security Agent or otherwise

**7 3 Value:** The value of any Financial Collateral appropriated under clause 7 2 (*Right of appropriation*) shall be:

- (a) in the case of cash, its face value at the time of appropriation, and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent,

as converted, where necessary, into euros at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent

**7 4 Surplus or shortfall:** The Security Agent will account to the New Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Liabilities and the New Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Liabilities.

**7 5 Confirmation:** The New Chargor agrees that (i) all its Financial Collateral has been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the Security Agent or a person acting on its behalf, and (ii) the method of valuing such Financial Collateral under clause 7 2 (*Right of appropriation*) is commercially reasonable

8 APPLICATION TO THE LAND REGISTRY

8.1 The New Chargor

- (a) In relation to each register of title of any present and future land of the New Chargor which is charged to the Security Agent under this Deed consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry
- (i) a Form AN1 (*Application to enter an agreed notice*) in respect of the security created by this Debenture,
  - (ii) a Form RX1 (*Application to register a restriction*) in the following terms:  
  
"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Chargee] referred to in the charges register or their conveyancer", and
  - (iii) a Form CH2 (*Application to enter an obligation to make further advances*), and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by clause 3.2(b) (*Creation of fixed security*) at its own expense, immediately following its execution of this Deed

9 POWER OF ATTORNEY

9.1 **Appointment of attorney** The New Chargor, by way of security, hereby irrevocably appoints the Security Agent (whether or not a Receiver or administrator has been appointed) and separately, any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to

- (a) execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document;
- (b) give any instruction under the rules and practices of a Relevant System; and
- (c) perform any other act of any description,

which may be required of the New Chargor under this Deed or may be deemed by such attorney necessary or desirable for any purpose of this Deed or to constitute, enhance or perfect the security intended to be constituted by it or to convey or transfer legal ownership of any Assets. The appointment contained in this clause 9.1 shall automatically take effect upon the Debenture becoming enforceable

9.2 **Ratification:** The New Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

9.3 **Sums recoverable:** All sums expended by the Security Agent, nominee and/or any Receiver under this clause 9 shall be recoverable from the New Chargor under clause 28 (*Costs, expenses and liabilities*) of the Principal Deed



10 NOTICES

All notices or demands to be given or made pursuant to this Deed shall be given or made in the manner set out in clause 42 (*Service of Demand or Notices*) of the Principal Deed. The New Chargor's address for service is set out in Schedule 2 (*Notice Details*).

11 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single document.

12 GOVERNING LAW AND JURISDICTION

12.1 **Governing law:** This Deed and all non-contractual obligations arising in any way whatsoever out of or in connection with this Deed shall be governed by, construed and take effect in accordance with English law.

12.2 Jurisdiction of English courts.

(a) It is agreed in relation to claims brought by the New Chargor or the Parent that the courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Deed (including without limitation claims for set-off or counterclaim) or the legal relationships established by this Deed.

(b) In relation to claims brought by one of more of the Secured Parties the courts of England shall have non-exclusive jurisdiction. Nothing in this clause shall limit the right of any Secured Party to take proceedings against the New Chargor or the Parent in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or otherwise.

(c) The New Chargor and the Parent each irrevocably waive any objections on the ground of venue or inconvenient forum or any similar grounds and irrevocably agree that any judgment in any proceedings brought in any court referred to in this clause shall be conclusive and binding and may be enforced in any other jurisdiction.

12.3 **Service of process.** Without prejudice to any other mode of service allowed under any relevant law, the New Chargor (if it is not incorporated in England and Wales):

(a) irrevocably appoints [\*\*\*] as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed;

(b) agrees that failure by a process agent to notify the New Chargor of the process will not invalidate the proceedings concerned.

The New Chargor expressly agrees and consents to the provisions of this clause 12.

**THIS DEED OF ACCESSION AND CHARGE** has been executed by the New Chargor and the Parent as a deed and signed by the Security Agent and it shall take effect on the date stated at the beginning of this document.

Schedule 1 to Deed of Accession

Freehold and leasehold land to be mortgaged<sup>2</sup>

Name Chargor/Registered Proprietor	of	the	Description of Property	Title Number
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The address for service of the Security Agent in the case of registered land is Bank of Ireland Corporate Banking, Bow Bells House, 1 Bread Street, London EC4M 9BE

***[Note: Incorporate here full details of all Land to be mortgaged under clause 3.2(a) (Fixed security) and which is registered at the Land Registry (this may include leases with at least 7 years left to run and other unregistered land which becomes the subject of first registration at the Land Registry on execution of the Deed of Accession). Any title numbers must be set out here.]***

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<sup>2</sup> Incorporate here full details of all Land to be mortgaged under clause 3.1 (Creation of fixed security) and which is registered at the Land Registry. The title numbers must be set out here.

Schedule 2 to Deed of Accession

Notice Details

[\*\*\*Set out here the notice details for the New Chargor\*\*\*]

EXECUTION

THE NEW CHARGOR

Executed and Delivered as a deed )  
by [insert name of New Chargor] )  
(pursuant to a resolution of its Board )  
of Directors) acting by )

Director

Director/Secretary

THE PARENT

Signed and Delivered as a deed for )  
and behalf of **Dalata Hotel Group** )  
**p.l.c.** by its duly authorised attorney )  
in the presence of )

Attorney

Witness

Name of Witness

\_\_\_\_\_

Occupation of Witness

\_\_\_\_\_

Address of Witness

\_\_\_\_\_

\_\_\_\_\_

**THE SECURITY AGENT**

Signed by [name of authorised )  
signatory] for and on behalf of The )  
Governor and Company of the )  
Bank of Ireland

Authorised Signatory

**Part 2**

**Form of Resolution for Deed of Accession and Charge**

At a Board Meeting of

(Company Registered Number [•]),

held on the [•] (date)

It was resolved

- 13 THAT (after full and careful consideration of the terms of the Debenture to The Governor and Company of the Bank of Ireland dated [ \*\*\* ] and the form of Deed of Accession and Charge each produced to the meeting, the nature and scale of the liabilities to be undertaken by the Company and the commercial and financial consequences, direct and indirect, of executing or declining to execute the Deed of Accession and Charge so far as they affect the Company), the accession by the Company to the Debenture by entering into the Deed of Accession and Charge will promote the success of the Company for the benefit of the members as a whole or will achieve its other authorised purposes and is for the purposes of its business
- 14 THAT the Deed of Accession and Charge, in which the Company accedes to the Debenture (by virtue of which all parties named in it and all acceding parties (other than those previously released by the Security Agent) create fixed and floating charges over all their assets and undertaking present and future as security for their liabilities including their guarantee liabilities) be approved
- 15 THAT the Company execute the Deed of Accession and Charge by affixing its common seal in the presence of one director and the company secretary who are hereby authorised to affix and attest the seal or, acting by two directors or one director and the company secretary, sign the Deed of Accession and Charge as a deed

Certified to be a true extract from the minutes of a meeting of the Board held on the above date

. . . . . Chairman of the Meeting

. . . . . Secretary of the Meeting

**SCHEDULE 5**

**Specified Intellectual Property**

Name of Chargor	Description of Property
Islandvale Limited	(1) The domain name at crownmoranhotel co uk
	(2) The domain name at morancrownhotel co uk

**SCHEDULE 6**

**Details of debts owing to a Chargor by another member of the Group which are subject to a fixed charge**

N/A

**SCHEDULE 7**

**The Material Contracts**

<b>Name of Chargor</b>	<b>Material Contracts</b>
Hallowridge Limited	Asset and undertaking transfer agreement dated 11 December 2014 between Ringway Hotels Limited (as transferor) and Hallowridge Limited (as transferee)
Islandvale Limited	Asset and undertaking transfer agreement dated 11 December 2014 between Segal Trading Limited (as transferor) and Islandvale Limited (as transferee)
Crescentbrook Limited	Asset and undertaking transfer agreement dated 11 December 2014 between Sweet St Hotel Limited (as transferor) and Crescentbrook Limited (as transferee)
Trackdale Limited	Asset and undertaking transfer agreement dated 11 December 2014 between Chiswick Morans Hotel Limited (as transferor) and Trackdale Limited (as transferee)
Trackdale Limited	The building contract between Chiswick Moran Hotel Limited (registered number 05884147) and HOC (UK) Limited (registered number 07391770) dated 4 December 2014
Trackdale Limited	The deed of novation between Chiswick Moran Hotel Limited (registered number 05884147), HOC (UK) Limited (registered number 07391770) and Trackdale Limited (registered number 09292891) dated on or before the date of this Debenture



SCHEDULE 8

Form of Notice to and Acknowledgment of Tenant Notice

[\*\*\*Date\*\*\*]

To [\*\*\*Name of Tenant\*\*\*]

Dear Sirs

[•] (the "Property")

We hereby give you notice that by a mortgage debenture dated [•] 2015 we assigned to [•] (the "Security Agent") all of our right, title and interest in and to all rents and other sums (the "Rent") payable to us in respect of the Property and it was agreed that the Rent would be paid to the Security Agent in such manner as the Security Agent may specify

Accordingly, we hereby authorise and instruct you to pay to our Account numbered [•] with the Security Agent's office at [•] (or to such other account(s) as the Security Agent may from time to time specify) all Rent due to us under the terms of the Lease dated [•] and made between (1) [•] and (2) [•], as amended from time to time under which you hold [\*\*\*Unit No [•]\*\*\*] at the Property

Please note that these instructions may not be revoked or varied in any way without the consent in writing of the Security Agent

Please acknowledge receipt of this letter by signing and returning to the Security Agent at [•] attention [•] the form of acknowledgement set out on the enclosed copy of this letter

Yours faithfully

for and on behalf of  
[\*\*\*Chargor\*\*\*]

**Form of Acknowledgement of Tenant Acknowledgement**

[\*\*Date\*\*]

To [\*\*Security Agent\*\*]

Dear Sirs

We acknowledge receipt of the above Notice and confirm that, unless and until we receive your consent to the contrary, we will act in accordance and comply with the terms of same

Yours faithfully

for and on behalf of  
[\*\*Tenant\*\*]

SCHEDULE 9

Form of Notice to and Acknowledgment of Account Bank

[\*\*\*Date\*\*\*]

To: [\*\*\*Account Bank\*\*\*]

Dear Sirs

We hereby give you notice that by a debenture dated [●] 2015 (the "Debenture") made by, among others, [●] (the "Chargor") in favour of [●] (the "Security Agent") we have charged in favour of the Security Agent all our right, title and interest in and to all sums of money which may now or in the future be held with you for our account in any accounts at any of your branches located in England and Wales (the "Accounts"), together with all interest from time to time earned thereon and the debts represented by such sums and interest, as well as all book and other debts owed to us

We hereby irrevocably authorise and instruct you.

- (a) to disclose to the Security Agent without any reference to or further authority (a) from us and without enquiry by you as to the justification of such disclosure, such information relating to the Accounts and the sums therein as the Security Agent may at any time and from time to time request;
- (b) to hold all sums from time to time standing to the credit of the Accounts to the order of the Security Agent,
- (c) to pay or release all or any part of the sums from time to time standing to the credit of the Accounts in accordance with the written instructions of the Security Agent at any time or times,
- (d) to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Debenture, the sums standing to the credit of the Accounts from time to time or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions, and
- (e) to pay all monies received by you for the Accounts to (and only to) the credit of the Account of us with you

Please note that we are not permitted to withdraw any amount from any of the Accounts without the prior written consent of the Security Agent. Please also note that these instructions are not to be revoked or varied without the prior written consent of the Security Agent

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law

Please will you acknowledge receipt of this letter and confirm your acceptance of the instructions and authorisations contained in it by sending a letter addressed to us and to the Security Agent in the form attached to this letter

Yours faithfully,

For and on behalf of  
[\*\*\*each Chargor\*\*\*]

## Form of Acknowledgement

[\*\*Date\*\*]

To [\*\*Security Agent\*\*]

Dear Sirs

We confirm receipt from [●] (the "Chargor") of a notice dated [●] 20[●] (a copy of which is attached hereto (the "Notice")) relating to the Accounts. Terms defined in the Notice shall have the same meanings when used in this letter.

We confirm that

- (a) we accept the instructions and authorisations contained in that notice and we undertake to act in accordance with the terms of that notice,
- (b) we have not received notice of any interest of any third party in any Account and/or the debts represented by them and to our knowledge there are no restrictions on the creation of security over the Accounts pursuant to the Debenture,
- (c) we do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, security, rights of combination, consolidation or set-off or rights against the Chargor in respect of the Accounts and/or the debts represented by them other than in respect of fees for operating the accounts or unless otherwise permitted by the Notice,
- (d) we have not designated any of the Accounts a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008 and we agree that we will not so designate the Accounts or take any steps to transfer the balance standing to the credit of the Accounts to the reclaim fund without the Security Agent's prior written consent,
- (e) we shall not permit any amount to be withdrawn from any of the Accounts without your prior written consent.

We shall be entitled to assume that any notice or instruction from the Security Agent is validly given if it is signed by or on behalf of the Security Agent.

We agree that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Accounts and/or the debts represented by them, we will promptly notify you.

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

Yours faithfully

On behalf of

[\*\*Account Bank\*\*]

SCHEDULE 10

Form of Notice to and Acknowledgement from Contract Counterparties

[\*\*\*Date\*\*\*]

To [\*\*\*relevant Material Contract Counterparty\*\*\*]

Dear Sirs

We hereby give you notice that, by a first priority debenture dated [●] 2015 (the "**Debenture**") made by, among others, [●] (the "**Chargor**") in favour of The Governor and Company of the Bank of Ireland (the "**Security Agent**") we assigned to the Security Agent all our rights, title and interest in and to [\*\*\*insert details of relevant Material Contract\*\*\*] (the "**Agreement**")

We hereby irrevocably instruct and authorise you

- (a) to hold all sums from time to time due and payable by you to us under the Agreement to the order of the Security Agent,
- (b) to pay all sums from time to time due and payable by you to us under the Agreement to the credit of our account numbered [●] with the Security Agent or otherwise in accordance with the written instructions given to you by the Security Agent from time to time,
- (c) to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Debenture, the sums payable to us from time to time under the Agreement or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions, and
- (d) to send copies of all notices and other information under the Agreement to the Security Agent

Please note that we are not permitted to receive from you, otherwise than through the Security Agent, any amount in respect of or on account of the sums payable by you from time to time under the Agreement without the prior written consent of the Security Agent

Please also note that these instructions are not to be revoked or amended without the prior written consent of the Security Agent

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent with a copy to ourselves thereby giving to the Security Agent the further undertakings therein set out. We confirm that we agree to you giving the acknowledgements, confirmations and undertakings set forth in such acknowledgement and that we will take all actions and execute all documents as may be necessary or desirable to give full effect to the arrangements contemplated therein.

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law

Yours faithfully,

For and on behalf of  
[\*\*\*Chargor\*\*\*]

Form of Acknowledgement to the Security Agent

[\*\*\*Date\*\*\*]

To [\*\*\*Security Agent\*\*\*]

Dear Sirs

We confirm receipt from [●] (the "Chargor") of a notice dated [●] 20[●] of an assignment upon the terms of a debenture dated [●] 2015 over all of the Chargor's rights, title and interest in and to [\*\*\*insert details of the relevant Contract\*\*\*] (the "Agreement")

In consideration of the Security Agent providing financing facilities to the Chargor we confirm that

- (a) we consent to such assignment,
- (b) we accept the instructions contained in that notice and we undertake to act in accordance with and comply with the terms of that notice;
- (c) we have not received notice of the creation of any assignment, charge or other interest over the Chargor's rights, title or interest in or to the Agreement,
- (d) we shall not permit any sums to be paid to the Chargor or any other persons under or pursuant to the Agreement without your prior consent, and
- (e) notwithstanding such assignment the Chargor remains liable to perform and observe all obligations on its part contained in the Agreement and (save as set out below) you shall not be in any way responsible for performing or observing those obligations or for any failure on the part of the Chargor to do so

In further consideration of the Security Agent providing financing facilities to the Chargor we acknowledge and undertake with the Security Agent as follows

- (a) we will not terminate the Agreement without first giving you not less than 60 days prior written notice (a "Termination Notice") specifying the grounds for such termination,
- (b) you may, at any time before the expiry of the notice period for a Termination Notice, give notice in writing (a "Step in Notice") to us that you or your nominee wishes to assume the rights and obligations of the Chargor under the Agreement specifying a date (the "Step in Date"), being not less than seven days or more than twenty-one days after the date of service of the Step in Notice, on which such assumption is to take place. We shall not be entitled to terminate the Agreement during the period from the date of service of the Step in Notice up to and including the proposed Step in Date, and
- (c) if you have given to us notice in accordance with paragraph (b) above then on the Step in Date you or, as the case may be, your nominee shall be deemed to have assumed the rights and obligations of the Chargor under the Agreement and to have become a party to the Agreement in place of the Chargor and shall thenceforth be treated as if it is a party thereto in place of the Chargor

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law

Yours faithfully,

For and on behalf of  
[\*\*\*Relevant Contract Counterparty\*\*\*]

EXECUTION PAGE

THE CHARGORS

Executed and Delivered as a deed )  
by **Dalata UK Limited** (pursuant to )  
a resolution of its Board of )  
Directors) acting by )

Director



Director/Secretary



Executed and Delivered as a deed )  
by **Dalata Cardiff Limited** (pursuant to )  
to a resolution of its Board of )  
Directors) acting by )

Director



Director/Secretary



Executed and Delivered as a deed )  
by **Crescentbrook Limited** )  
(pursuant to a resolution of its Board )  
of Directors) acting by )

Director



Director/Secretary





Executed and Delivered as a deed  
by **Hallowridge Limited** (pursuant  
to a resolution of its Board of  
Directors) acting by

)  
)  
)  
)

Director

  


Director/Secretary

Executed and Delivered as a deed  
by **Islandvale Limited** (pursuant to  
a resolution of its Board of  
Directors) acting by

)  
)  
)  
)

Director

  


Director/Secretary

Executed and Delivered as a deed  
by **Trackdale Limited** (pursuant to  
a resolution of its Board of  
Directors) acting by

)  
)  
)  
)

Director

  


Director/Secretary

**THE SECURITY AGENT**

Signed by  
for and on behalf of The Governor and  
Company of the Bank of Ireland

)  
)  
)



Authorised Signatory

Notice details for the Security Agent  
Address 2 Burlington Plaza  
Burlington Road  
Dublin 4  
Facsimile No +353 (0)1 604 4310  
Attention Conor Linehan