



**Registration of a Charge**

Company name: **MEININGER HOTELS LIMITED**

Company number: **08895474**

Received for Electronic Filing: **03/08/2020**



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**Details of Charge**

Date of creation: **27/07/2020**

Charge code: **0889 5474 0021**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC (AS SECURITY AGENT)**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**PINSENT MASONS LLP**



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

Company number: 8895474

Charge code: 0889 5474 0021

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th July 2020 and created by MEININGER HOTELS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd August 2020 .

Given at Companies House, Cardiff on 4th August 2020

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

EXECUTION VERSION

**DATED** 27 July 2020

**(1) THE CHARGORS**

**(2) NATIONAL WESTMINSTER BANK PLC**  
**(as Security Agent)**

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**DEBENTURE**

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THIS DEED is made on

27 July 2020

**BETWEEN:-**

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and
- (2) **NATIONAL WESTMINSTER BANK PLC** (the "**Security Agent**") as agent and trustee for itself and each of the Secured Finance Parties (as defined below).

**INTRODUCTION**

- (A) The Secured Finance Parties have agreed to make credit facilities available to the Company on the terms and conditions set out in the Facilities Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over their assets to the Security Agent to hold on trust for itself and the other Secured Finance Parties.

**IT IS AGREED** as follows:-

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed:-

<b>"Account"</b>	means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts
<b>"Assigned Contracts"</b>	means any contract specified in Schedule 4 to be an Assigned Contract;
<b>"Assigned Insurances"</b>	means the Insurances;
<b>"Charged Account"</b>	means any Account agreed by the Security Agent and the Company designated in writing to be a Charged Account
<b>"Company"</b>	means Meininger Hotels Limited a company incorporated in England and Wales with registered number 08895474
<b>"Declared Default"</b>	means the giving of notice by the Agent under clause 26.19 ( <i>Acceleration</i> ) of the Facilities Agreement
<b>"Deed of Accession"</b>	means a deed substantially in the form of Schedule 7 ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor

<b>"Default Rate"</b>	means the rate specified in clause 12.3 ( <i>Default interest</i> ) of the Facilities Agreement
<b>"Event of Default"</b>	has the meaning given to that term in the Facilities Agreement
<b>"Facilities Agreement"</b>	means the facilities agreement dated on or about the date of this Deed between, among others, the Company, the Agent and the Security Agent
<b>"Finance Documents"</b>	has the meaning given to the term "Finance Documents" in the Facilities Agreement
<b>"Group"</b>	has the meaning given in the Facilities Agreement
<b>"Insurances"</b>	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties
<b>"Intellectual Property"</b>	<p>means any of the following:-</p> <ul style="list-style-type: none"> <li>(a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above;</li> <li>(b) any brand and trade names, domain names, invention, copyright, design right or performance right;</li> <li>(c) any trade secrets, database right, know-how and confidential information; and</li> <li>(d) the benefit of any agreement or licence for the use of any such right,</li> </ul> <p>and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest</p>
<b>"Land"</b>	has the meaning given to that term in section 205(1) of the LPA but for these purposes <b>"Land"</b> excludes heritable property situated in Scotland
<b>"LPA"</b>	means the Law of Property Act 1925
<b>"Monetary Claims"</b>	means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other



person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

<b>"Party"</b>	means a party to this Deed
<b>"Plant and Equipment"</b>	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same
<b>"Receiver"</b>	means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets
<b>"Regulations"</b>	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements
<b>"Related Rights"</b>	<p>means in relation to any Secured Asset:-</p> <ul style="list-style-type: none"> <li>(a) the proceeds of sale of all or any part of that Secured Asset;</li> <li>(b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;</li> <li>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</li> <li>(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset</li> </ul>
<b>"Secured Assets"</b>	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Security Agent by or pursuant to this Deed
<b>"Secured Finance Documents"</b>	means the Finance Documents
<b>"Secured Finance Party"</b>	means each of the Secured Parties (together the <b>"Secured Finance Parties"</b> )

<b>"Secured Liability"</b>	means all present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity (together the <b>"Secured Liabilities"</b> )
<b>"Securities"</b>	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
<b>"Security"</b>	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
<b>"Security Period"</b>	means the period beginning on the date of this Deed and ending on the date which:- <ul style="list-style-type: none"> <li>(a) all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and</li> <li>(b) no Secured Finance Party has any further commitment, obligation or liability under or pursuant to the Secured Finance Documents</li> </ul>
<b>"Shares"</b>	means:- <ul style="list-style-type: none"> <li>(a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and</li> <li>(b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time</li> </ul>
<b>"Transaction Security"</b>	means the Security created or expressed to be created in favour of the Security Agent pursuant to the Transaction Security Documents
<b>"Transaction Security Documents"</b>	has the meaning given in the Facilities Agreement

## 1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement, shall have the same meanings in this Deed.

## 1.3 Interpretation

- 1.3.1 The principles of interpretation set out in clause 1 of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it.
- 1.3.2 Unless the context otherwise requires, a reference to a **"Secured Finance Document"** or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as

amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

#### **1.4 Acknowledgement**

Each Chargor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Finance Parties who shall be entitled to the full benefit of this Deed.

#### **1.5 Effect as a deed**

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

#### **1.6 Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.7 Third party rights**

1.7.1 Each Secured Finance Party, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

#### **1.8 Nominees**

If the Security Agent causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Deed to the Security Agent shall, if the context permits or requires, be construed as a reference to the Security Agent and its nominee.

### **2. COVENANT TO PAY**

#### **2.1 Secured Liabilities**

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

#### **2.2 Interest**

Each Chargor covenants to pay interest at the Default Rate to the Security Agent on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment). For the avoidance of doubt, to the extent this

provision is also contained in another Finance Document (a "**Repeated Clause**"), the Repeated Clause shall not provide for a double recovery by the Security Agent in respect of the same amount.

### 3. **CHARGES**

#### 3.1 **Land**

Each Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of first fixed charge:-

- (a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and
- (c) all Land acquired by any Chargor after the date of this Deed.

#### 3.2 **Shares**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Shares and all Related Rights under or in connection with the Shares.

#### 3.3 **Securities**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

#### 3.4 **Intellectual Property**

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

#### 3.5 **Monetary Claims**

Each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

#### 3.6 **Charged Accounts**

Each Chargor charges by way of first fixed charge:-

3.6.1 all amounts standing to the credit of the Charged Accounts; and

3.6.2 all Related Rights under or in connection with the Charged Accounts.

**3.7 Plant and Equipment**

Each Chargor charges by way of first fixed charge:-

3.7.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.7.2 all Related Rights under or in connection with the Plant and Equipment.

**3.8 Goodwill**

Each Chargor charges by way of first fixed charge its present and future goodwill.

**3.9 Uncalled capital**

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

**3.10 Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all licences, consents and agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

**3.11 Assigned Contracts**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.11.1 the Assigned Contracts to which it is a party; and

3.11.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

**3.12 Assigned Insurances**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.12.1 the Assigned Insurances to which it is a party; and

3.12.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

**3.13 Floating Charge**

3.13.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

### 3.14 **Trust**

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

- 3.14.1 hold it on trust for the Security Agent as security for the payment and discharge of the Secured Liabilities; and
- 3.14.2 take such steps as the Security Agent may require to remove the impediment to assignment or charging it.

### 3.15 **Nature of Security created**

The Security created under this Deed is created:

- 3.15.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;
- 3.15.2 in favour of the Security Agent as trustee for the Secured Finance Parties; and
- 3.15.3 with full title guarantee.

## 4. **CRYSTALLISATION OF FLOATING CHARGE**

### 4.1 **Crystallisation: By Notice**

4.1.1 The Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.13 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) a Declared Default has occurred; or
- (b) the Security Agent reasonably considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
- (c) the Security Agent reasonably considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.13 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.13 (*Floating charge*).

### 4.2 **Crystallisation: Automatic**

The floating charge created by a Chargor under Clause 3.13 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

- 4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facilities Agreement) over any of the Secured Assets; or

- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if the Security Agent receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets, other than under this Agreement; or
- 4.2.6 in any other circumstance provided by law.

#### **4.3 Assets acquired post-crystallisation**

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.13 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

#### **4.4 Crystallisation: Moratorium where directors propose voluntary arrangement**

The floating charge created by Clause 3.13 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- 4.4.1 the obtaining of a moratorium; or
  - 4.4.2 anything done with a view to obtaining a moratorium,
- under Schedule A1 to the Insolvency Act 1986.

#### **4.5 Partial crystallisation**

The giving of a notice by the Security Agent pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Security Agent and/or the Secured Finance Parties.

#### **4.6 De-crystallisation of floating charge**

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Security Agent to the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### **5. PERFECTION OF SECURITY**

#### **5.1 Notices of assignment**

- 5.1.1 The Chargors must deliver notices of assignment in relation to the Assigned Contracts by issuing a notice in the form set out in Schedule 9 (Form of Notice of Assigned Contracts) addressed to the relevant counterparty promptly upon entering into the Assigned Contracts;

5.1.2 The Chargors shall, on request from the Security Agent if an Event of Default is continuing, deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

(a) Assigned Insurances:

by issuing a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer; and

(b) Charged Accounts:

by issuing promptly a notice in the form set out in Schedule 9 (*Form of notice of assignment of Charged Accounts*) addressed to the bank or financial institution with whom the Charged Account is held.

5.1.3 The Chargors shall use reasonable endeavours to procure that each notice of assignment is acknowledged by the party to whom it is addressed.

5.1.4 Each Chargor will deliver to the Security Agent:-

(a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and

(b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

## 5.2 Notices of Charge

The Chargors shall, at the request of the Security Agent if an Event of Default is continuing, deliver to the Security Agent (or procure delivery of) notices of charge (in form and substance satisfactory to the Security Agent (acting reasonably)) duly executed by, or on behalf of, the applicable Chargor in respect of the Charged Accounts, and shall use reasonable endeavours to procure that each notice is acknowledged by each bank or financial institution with which such Charged Accounts are opened or maintained. The execution of this Deed by the Chargors and the Security Agent shall constitute notice to the Security Agent and acknowledgement by the Security Agent of the charge created over any Charged Account opened or maintained with the Security Agent.

## 5.3 Documents of Title

### 5.3.1 Land

The Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Security Agent of either:-

(a) all deeds, certificates and other documents relating to such Land (which the Security Agent shall be entitled to hold and retain at the expense and risk of the Chargors); or

(b) an undertaking from the Company's solicitors (in form and substance acceptable to the Security Agent) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Security Agent.

### 5.3.2 Shares



The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to the Security Agent of:

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Security Agent so requires, pre-stamped; and
- (c) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which the Security Agent is entitled to hold at the expense and risk of the Chargors.

#### 5.3.3 **Securities**

As soon as any Securities are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Security Agent or a nominee (and in any event as soon as the Security Agent so requests), such Chargor shall deposit with the Security Agent, in respect of or in connection with those Securities:

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Security Agent so requires, pre-stamped; and
- (c) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Security Agent is entitled to hold at the expense and risk of the Chargors.

#### 5.4 **Application to the Land Registry**

Each Chargor and the Security Agent shall apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

##### 5.4.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[insert date]* in favour of National Westminster Bank Plc referred to in the charges register (Form P)"

5.4.2 a notice that:-

"National Westminster Bank Plc and Santander UK Plc are under an obligation to make further advances."

## **6. COVENANTS**

### **6.1 Further assurance**

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Security Agent reasonably requires to:-

6.1.1 give effect to the requirements of this Deed;

6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or

6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Security Agent or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

### **6.2 Negative pledge**

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 25.13 (*Negative pledge*) of the Facilities Agreement, except as expressly permitted under the terms of the Secured Finance Documents.

### **6.3 Disposals**

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except as permitted by clause 25.14 (*Disposals*) of the Facilities Agreement.

### **6.4 Land**

Each Chargor shall promptly notify the Security Agent in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Security Agent (at the cost of that Chargor) execute a legal mortgage in favour of the Security Agent of that property in any form which the Security Agent may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

## **7. SHARES AND SECURITIES**

### **7.1 Shares: before a Declared Default**

Prior to the occurrence of a Declared Default, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 7.1.3 promptly upon receipt, forward to the Security Agent copies of all notices and other communications received in connection with the Shares;
- 7.1.4 promptly comply with (and copy to the Security Agent) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of the Secured Finance Parties.

## 7.2 **Shares: after a Declared Default**

After the occurrence of a Declared Default, the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
  - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
  - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
  - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Security Agent may think fit, and the proceeds of any such action shall form part of the Secured Assets.

## 7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Security Agent may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Security Agent shall be reimbursed by the Chargor to the Security Agent on demand and shall carry interest from the date of

payment by the Security Agent until reimbursed at the rate notified to the Chargor by the Security Agent.

**7.4 Securities: exercise of rights**

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Security Agent, would prejudice the effectiveness of, or the ability of the Security Agent to realise, the Security created by or pursuant to this Deed.

**8. INTELLECTUAL PROPERTY**

Each Chargor shall, if requested by the Security Agent and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Security Agent may require and do all acts that the Security Agent may require to perfect the Security taken by, or to record the interest of, the Security Agent in any registers relating to any registered Intellectual Property.

**9. MONETARY CLAIMS**

9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account (or, where required under the Secured Finance Documents or the Security Agent so requires, into a Charged Account).

9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Security Agent or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

9.3 If and to the extent that the Security Agent so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Security Agent may require into such Account(s) as the Security Agent may from time to time specify and pending such payment shall hold all such receipts on trust for the Security Agent.

**10. ACCOUNTS**

**10.1 General**

10.1.1 Without prejudice to and in addition to Clauses 6.2 (*Negative pledge*) and 6.3 (*Disposals*):

- (a) the benefit of each Charged Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Charged Account without the prior written consent of the Security Agent (in its capacity as Security Agent under this Deed).

10.1.2 Upon the occurrence of a Declared Default, the Security Agent shall be deemed to have designated in writing all Accounts as Charged Accounts and at any time thereafter the Security Agent may exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of

their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

**10.2 Charged Accounts**

**10.2.1 Charged Accounts: before a Declared Default**

The Chargors shall, prior to the occurrence of a Declared Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account.

**10.2.2 Charged Accounts: after a Declared Default**

- (a) The Security Agent shall, upon the occurrence of a Declared Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Charged Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).
- (b) After the occurrence of a Declared Default, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account except with the prior consent of the Security Agent (in its capacity as such).

**11. ASSIGNED CONTRACTS AND ASSIGNED INSURANCES**

**11.1 Each Chargor shall:-**

- 11.1.1 deliver to the Security Agent, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as the Security Agent may reasonably require;
- 11.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner; and
- 11.1.3 notify the Security Agent of any breach of or default under an Assigned Contracts or Assigned Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Contract or Assigned Insurance, promptly upon becoming aware of the same.

**11.2 The Chargors shall not, without the prior written consent of the Security Agent:**

- 11.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Contracts or Assigned Insurance;
- 11.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Contracts or Assigned Insurance; or
- 11.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Contract or Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Contracts or Assigned Insurances,

except as permitted by the terms of the Secured Finance Documents.

**11.3 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, until a Declared Default has occurred, the relevant Chargor may exercise**

all its rights in respect of the Assigned Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Contracts.

- 11.4 Until a Declared Default has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Secured Finance Documents.

## **12. PROTECTION OF SECURED ASSETS**

### **12.1 Power to remedy**

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Security Agent reasonably considers that a Chargor has failed to comply with any such obligations, the Security Agent may, if it thinks fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Security Agent or its agents or contractors such access as the Security Agent may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

## **13. DEMAND AND ENFORCEMENT**

### **13.1 Enforcement**

The Security created by this Deed shall become enforceable upon:-

- 13.1.1 the occurrence of a Declared Default;
- 13.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it; or
- 13.1.3 the occurrence of any event causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

### **13.2 Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 13.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 13.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property

so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Security Agent shall determine in a commercially reasonable manner;

13.2.4 subject to Clause 14.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

13.2.5 appoint an administrator of any Chargor.

### 13.3 **Disposal of the Secured Assets**

In exercising the powers referred to in Clause 13.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### 13.4 **Same rights as Receiver**

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Secured Assets.

### 13.5 **Delegation**

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit.

## 14. **RECEIVERS**

### 14.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

### 14.2 **Removal**

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

### 14.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

14.3.1 of the Security Agent under this Deed;

14.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

- 14.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 14.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and
- 14.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

#### **14.4 Receiver as agent**

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Security Agent.

#### **14.5 Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

#### **14.6 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

### **15. APPLICATION OF MONEYS**

#### **15.1 Application of moneys**

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 15.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Secured Finance Parties and/or as trustee in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 15.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent or any Receiver;
- 15.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facilities Agreement;
- 15.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.



**16. POWER OF ATTORNEY**

**16.1 Appointment**

Upon the occurrence of a Declared Default, each Chargor irrevocably and by way of security appoints:-

16.1.1 the Security Agent (whether or not a Receiver has been appointed);

16.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and

16.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

**16.2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 16.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 16.1 (*Appointment*).

**17. CONSOLIDATION**

**17.1 Combination of accounts**

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Secured Finance Party may at any time after a Declared Default has occurred, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Security Agent or that Secured Finance Party, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

**17.2 Application**

The Security Agent's and each Secured Finance Party's rights under Clause 17.1 (*Combination of accounts*) apply:-

17.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;

17.2.2 whether or not any credit balance is immediately available or subject to any restriction;

17.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Secured Finance Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and

17.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

## **18. PROTECTION OF THIRD PARTIES**

### **18.1 Statutory powers**

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Deed, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

### **18.2 Purchasers**

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

18.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;

18.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

18.2.3 as to the propriety or validity of the exercise of those powers; or

18.2.4 with the application of any moneys paid to the Security Agent, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

### **18.3 Receipts**

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Finance Party, any Receiver or any person to whom any of them have delegated any of their powers.

## **19. PROTECTION OF THE SECURITY AGENT, THE SECURED FINANCE PARTIES AND ANY RECEIVER**

### **19.1 No liability**

None of the Security Agent, the other Secured Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

### **19.2 Not mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render the Security Agent, any Receiver or any of their respective officers or employees liable:-

19.2.1 to account as mortgagee in possession;

19.2.2 for any loss on realisation; or

19.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

### **19.3 Indemnity**

Each Chargor shall indemnify and keep indemnified the Security Agent, each other Secured Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

19.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;

19.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;

19.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

19.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

19.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

### **19.4 Interest**

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 19 (*Protection of the Security Agent, the Secured Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

### **19.5 Indemnity out of the Secured Assets**

The Security Agent, the other Secured Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 19.3 (*Indemnity*).

### **19.6 Liability of Chargors related to Secured Assets**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Secured Assets. None of the Secured Finance Parties, the Security Agent or any Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

**19.7 Continuing protection**

The provisions of this Clause 19 (*Protection of the Security Agent, the Secured Finance Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

**20. PROVISIONS RELATING TO THE SECURITY AGENT**

**20.1 Powers and discretions**

The rights, powers and discretions given to the Security Agent in this Deed:-

20.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;

20.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

20.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

**20.2 Certificates**

A certificate by an officer of the Security Agent:-

20.2.1 as to any amount for the time being due to the Secured Finance Parties or any of them; or

20.2.2 as to any sums payable to the Security Agent under this Deed,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

**20.3 Trusts**

The perpetuity period for any other constituted by this Deed shall be 125 years.

**21. PRESERVATION OF SECURITY**

**21.1 Continuing Security**

This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

**21.2 Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent or any other Secured Finance Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

**21.3 Waiver of Defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Agent or any other Secured Finance Party) including:-

- 21.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 21.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 21.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 21.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 21.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 21.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 21.3.7 an insolvency, liquidation, administration or similar procedure.

#### **21.4 Immediate recourse**

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

#### **21.5 Appropriations**

During the Security Period the Security Agent and each Secured Finance Party may:-

- 21.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 15.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 21.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

#### **21.6 New accounts**

If the Security Agent or any other Secured Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Secured Assets or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Security Agent and the relevant Secured Finance Party or Secured Finance Parties may close the current account or accounts and/or open a new account or accounts for such Chargor. If the Security Agent or any other Secured Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Security

Agent or that Secured Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

#### **21.7 Tacking**

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Secured Finance Parties that the Secured Finance Parties shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

#### **21.8 Deferral of Chargor's rights**

During the Security Period and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 21.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 21.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;
- 21.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Finance Party under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by any Secured Finance Party;
- 21.8.4 to exercise any right of set-off against any Obligor; and/or
- 21.8.5 to claim or prove as a creditor of any Obligor in competition with any Secured Finance Party.

### **22. RELEASE**

#### **22.1 Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 22.1.1 release the Secured Assets from this Deed; and
- 22.1.2 re-assign the Secured Assets that has been assigned to the Security Agent under this Deed.

#### **22.2 Reinstatement**

If the Security Agent considers that any amount paid or credited to any Secured Finance Party under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

- 22.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and
- 22.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

**22.3 Consolidation**

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

**23. MISCELLANEOUS PROVISIONS**

**23.1 Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

23.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

23.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

**23.2 Information**

The Security Agent may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as the Security Agent may think fit and each Chargor agrees that it will use reasonable endeavours to request any such person to provide any such information to the Security Agent and agrees to provide such further reasonable authority in this regard as the Security Agent or any such third party may from time to time require.

**23.3 Joint and separate liability**

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

**23.4 Counterparts**

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

**23.5 Deeds of Accession**

23.5.1 The Company and each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

23.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed

to include the Security created by or pursuant to any Deed of Accession.

- 23.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

**24. GOVERNING LAW**

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

**25. ENFORCEMENT**

**25.1 Jurisdiction of English Courts**

- 25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.
- 25.1.3 This Clause 25.1 is for the benefit of the Secured Finance Parties only. As a result, no Secured Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Finance Parties may take concurrent proceedings in any number of jurisdictions.

**EXECUTED AND DELIVERED AS A DEED** on the date set out at the beginning of this Deed.



**Schedule 1**

**THE CHARGORS**

<b>Company name</b>	<b>No</b>	<b>Original Jurisdiction</b>
Meininger Hotels Limited	08895474	England and Wales
Meininger Limited	05898245	England and Wales
Meininger Hotel Europe Limited	09578443	England and Wales

**Schedule 2**

**DETAILS OF LAND**

**REGISTERED LAND**

None at the date of this deed.

**UNREGISTERED LAND**

None at the date of this deed.

**Schedule 3**  
**DETAILS OF SHARES**

Name of Company			Description and Number of Shares	Name of Shareholder
Meininger Limited	Hotel	Europe	1 ordinary share of £1 each	Meininger Hotels Limited

**Schedule 4**

**DETAILS OF ASSIGNED CONTRACTS**

None at the date of this deed.

**Schedule 5**

**DETAILS OF ASSIGNED INSURANCES**

None at the date of this deed.

**Schedule 6**

**DETAILS OF CHARGED ACCOUNTS**

None at the date of this deed.

## Schedule 7

### DEED OF ACCESSION

**THIS DEED** is made on [ ]

#### **BETWEEN:-**

- (1) [ ] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [ ];
- (2) **MEININGER HOTELS LIMITED** (the "**Company**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) **NATIONAL WESTMINSTER BANK PLC** as the Security Agent.

#### **INTRODUCTION**

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of Company.
- (B) This Deed is supplemental to a deed dated [ ] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Company, each of the companies named in the Debenture as Chargors, and National Westminster Bank plc as agent and trustee for the Secured Finance Parties.
- (C) The New Chargor at the request of the Company and in consideration of the Secured Finance Parties making or continuing to make facilities available to the Company or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

#### **IT IS AGREED** as follows:-

##### **1. DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

##### **2. ACCESSION**

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

##### **3. SECURITY**

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Finance Parties, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);

- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);
- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);
- 3.4 the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*); and
- 3.5 the Charged Accounts charged by way of fixed charge shall include those referred to in Schedule 5 (*Charged Accounts*).

**4. CONSENT OF EXISTING CHARGORS**

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

**5. EFFECT ON DEBENTURE**

- 5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.
- 5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

**6. GOVERNING LAW**

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

**EXECUTED AS A DEED AND DELIVERED** on the date set out at the beginning of this Deed.



**SCHEDULE 1**

**LAND**

**SCHEDULE 2**

**SHARES**

**SCHEDULE 3**

**ASSIGNED INSURANCES**

**SCHEDULE 4**

**ASSIGNED CONTRACTS**

**SCHEDULE 5**

**CHARGED ACCOUNTS**

## SIGNATURE PAGES TO DEED OF ACCESSION

### The New Chargor

**EXECUTED** as a Deed by **[NAME OF** )  
**COMPANY] [LIMITED] [PLC]** )  
acting by **[NAME OF DIRECTOR]**, a )  
Director, in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: [ ]

### The Company

**EXECUTED** as a Deed by **MEININGER** )  
**HOTELS LIMITED** )  
acting by **[NAME OF DIRECTOR]**, a Director, )  
in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: [ ]

## The Security Agent

**SIGNED** for and on behalf of )  
**NATIONAL WESTMINSTER BANK PLC** )

## Schedule 8

### FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

**To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant insurer]

Date: [ ]

Dear Sirs,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER]  
(THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]**

1. We give you notice that we have entered into a debenture dated [ ] in favour of National Westminster Bank Plc (the "**Security Agent**") (the "**Debenture**").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Policy.
4. With effect from the date of receipt of this notice, we instruct you to:
  - 4.1 following the Security Agent's notification to you that a Declared Default has occurred (but not at any other time) make all payments and claims under or arising from the [each of] the Polic[y][ies] to the Security Agent to such account (or to its order) as it may specify in writing from time to time;
  - 4.2 disclose to the Security Agent, without further approval from us, such information regarding the Polic[y][ies] as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Security Agent.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
7. By countersigning this letter, you confirm that:-
  - 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;

- 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Security Agent 30 days written notice of it or, if it is not possible to comply with such notification to the Security Agent in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Security Agent in relation to such termination as soon as possible; and
- 7.3 you will not, without the Security Agent's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
[COMPANY/CHARGOR]

**Acknowledged:**

.....

For and on behalf of  
[Name of insurer]

## Schedule 9

### FORM OF NOTICE OF ASSIGNMENT OF CHARGED ACCOUNTS

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: [ ]

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [ ] in favour of National Westminster Bank Plc (the "**Security Agent**") (the "**Debenture**").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "**Charged Account[s]**"):

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in the Charged Account[s] including, without limitation all money at any time standing to the credit of the Charged Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. Prior to receipt by you of a notice from the Security Agent that a Declared Default (as defined in the Debenture) has occurred, the Chargors will have the sole right: (i) to operate and transact business in relation to the Charged Accounts (including making withdrawals from and effecting closures of the Charged Accounts), and (ii) to deal with you in relation to the Charged Accounts.
5. Following receipt by you of a written notice from the Security Agent specifying a Declared Default has occurred under the Debenture (but not at any other time), the Chargors irrevocably and unconditionally authorise you:
  - 5.1 to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and

- 5.2 to disclose to the Security Agent any information relating to the Chargor and the Charged Accounts which the Security Agent may from time to time request you to provide.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent and the Chargors.
7. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
[COMPANY/CHARGOR]

**Acknowledged:**

.....

For and on behalf of

[Name of account bank]

**Schedule 10**

**FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT**

**To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant contract counterparty]

Date: [ ]

Dear Sirs,

**[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")**

1. We give you notice that we have entered into a debenture dated [ ] in favour of **[SECURITY AGENT]** (the "**Security Agent**") (the "**Debenture**").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
4. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
**[COMPANY/CHARGOR]**



**Acknowledged:**

.....

For and on behalf of

*[Name of contract counterparty]*

EXECUTION PAGES

The Chargors

EXECUTED as a Deed  
by MEININGER HOTELS LIMITED  
acting by \_\_\_\_\_, a Director,  
in the presence of:-

)  
)  
)



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

Director

Name of witness: BELA MENON

Address: \_\_\_\_\_

Occupation: ARTIST

EXECUTED as a Deed  
by MEININGER LIMITED  
acting by \_\_\_\_\_, a Director,  
in the presence of:-

)  
)  
)



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

Director

Name of witness: BELA MENON

Address: \_\_\_\_\_

Occupation: ARTIST

EXECUTED as a Deed  
by MEININGER HOTEL EUROPE LIMITED  
acting by \_\_\_\_\_, a Director,  
in the presence of:-

)  
)  
)



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

Director

Name of witness: BELA MENON

Address: \_\_\_\_\_

Occupation: ARTIST

## The Security Agent

**SIGNED** for and on behalf of )  
**NATIONAL WESTMINSTER BANK PLC** )

EXECUTION VERSION

**DATED** 27 July 2020

**(1) THE CHARGORS**

**(2) NATIONAL WESTMINSTER BANK PLC**  
**(as Security Agent)**

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**DEBENTURE**

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EXECUTION VERSION

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EXECUTION VERSION

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**THIS DEED** is made on

27 July

2020

**BETWEEN:-**

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and
- (2) **NATIONAL WESTMINSTER BANK PLC** (the "**Security Agent**") as agent and trustee for itself and each of the Secured Finance Parties (as defined below).

**INTRODUCTION**

- (A) The Secured Finance Parties have agreed to make credit facilities available to the Company on the terms and conditions set out in the Facilities Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over their assets to the Security Agent to hold on trust for itself and the other Secured Finance Parties.

**IT IS AGREED** as follows:-

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed:-

<b>"Account"</b>	means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts
<b>"Assigned Contracts"</b>	means any contract specified in Schedule 4 to be an Assigned Contract;
<b>"Assigned Insurances"</b>	means the Insurances;
<b>"Charged Account"</b>	means any Account agreed by the Security Agent and the Company designated in writing to be a Charged Account
<b>"Company"</b>	means Meininger Hotels Limited a company incorporated in England and Wales with registered number 08895474
<b>"Declared Default"</b>	means the giving of notice by the Agent under clause 26.19 ( <i>Acceleration</i> ) of the Facilities Agreement
<b>"Deed of Accession"</b>	means a deed substantially in the form of Schedule 7 ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor

<b>"Default Rate"</b>	means the rate specified in clause 12.3 ( <i>Default interest</i> ) of the Facilities Agreement
<b>"Event of Default"</b>	has the meaning given to that term in the Facilities Agreement
<b>"Facilities Agreement"</b>	means the facilities agreement dated on or about the date of this Deed between, among others, the Company, the Agent and the Security Agent
<b>"Finance Documents"</b>	has the meaning given to the term "Finance Documents" in the Facilities Agreement
<b>"Group"</b>	has the meaning given in the Facilities Agreement
<b>"Insurances"</b>	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties
<b>"Intellectual Property"</b>	<p>means any of the following:-</p> <ul style="list-style-type: none"> <li>(a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above;</li> <li>(b) any brand and trade names, domain names, invention, copyright, design right or performance right;</li> <li>(c) any trade secrets, database right, know-how and confidential information; and</li> <li>(d) the benefit of any agreement or licence for the use of any such right,</li> </ul> <p>and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest</p>
<b>"Land"</b>	has the meaning given to that term in section 205(1) of the LPA but for these purposes <b>"Land"</b> excludes heritable property situated in Scotland
<b>"LPA"</b>	means the Law of Property Act 1925
<b>"Monetary Claims"</b>	means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other



person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

<b>"Party"</b>	means a party to this Deed
<b>"Plant and Equipment"</b>	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same
<b>"Receiver"</b>	means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets
<b>"Regulations"</b>	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements
<b>"Related Rights"</b>	<p>means in relation to any Secured Asset:-</p> <ul style="list-style-type: none"> <li>(a) the proceeds of sale of all or any part of that Secured Asset;</li> <li>(b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;</li> <li>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</li> <li>(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset</li> </ul>
<b>"Secured Assets"</b>	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Security Agent by or pursuant to this Deed
<b>"Secured Finance Documents"</b>	means the Finance Documents
<b>"Secured Finance Party"</b>	means each of the Secured Parties (together the <b>"Secured Finance Parties"</b> )

<b>"Secured Liability"</b>	means all present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity (together the <b>"Secured Liabilities"</b> )
<b>"Securities"</b>	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
<b>"Security"</b>	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
<b>"Security Period"</b>	means the period beginning on the date of this Deed and ending on the date which:- <ul style="list-style-type: none"> <li>(a) all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and</li> <li>(b) no Secured Finance Party has any further commitment, obligation or liability under or pursuant to the Secured Finance Documents</li> </ul>
<b>"Shares"</b>	means:- <ul style="list-style-type: none"> <li>(a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and</li> <li>(b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time</li> </ul>
<b>"Transaction Security"</b>	means the Security created or expressed to be created in favour of the Security Agent pursuant to the Transaction Security Documents
<b>"Transaction Security Documents"</b>	has the meaning given in the Facilities Agreement

## 1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement, shall have the same meanings in this Deed.

## 1.3 Interpretation

- 1.3.1 The principles of interpretation set out in clause 1 of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it.
- 1.3.2 Unless the context otherwise requires, a reference to a **"Secured Finance Document"** or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as

amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

#### 1.4 **Acknowledgement**

Each Chargor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Finance Parties who shall be entitled to the full benefit of this Deed.

#### 1.5 **Effect as a deed**

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

#### 1.6 **Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### 1.7 **Third party rights**

1.7.1 Each Secured Finance Party, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

#### 1.8 **Nominees**

If the Security Agent causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Deed to the Security Agent shall, if the context permits or requires, be construed as a reference to the Security Agent and its nominee.

### 2. **COVENANT TO PAY**

#### 2.1 **Secured Liabilities**

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

#### 2.2 **Interest**

Each Chargor covenants to pay interest at the Default Rate to the Security Agent on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment). For the avoidance of doubt, to the extent this

provision is also contained in another Finance Document (a "**Repeated Clause**"), the Repeated Clause shall not provide for a double recovery by the Security Agent in respect of the same amount.

### 3. **CHARGES**

#### 3.1 **Land**

Each Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of first fixed charge:-

- (a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and
- (c) all Land acquired by any Chargor after the date of this Deed.

#### 3.2 **Shares**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

#### 3.3 **Securities**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

#### 3.4 **Intellectual Property**

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

#### 3.5 **Monetary Claims**

Each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

#### 3.6 **Charged Accounts**

Each Chargor charges by way of first fixed charge:-

3.6.1 all amounts standing to the credit of the Charged Accounts; and

3.6.2 all Related Rights under or in connection with the Charged Accounts.

### 3.7 **Plant and Equipment**

Each Chargor charges by way of first fixed charge:-

3.7.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.7.2 all Related Rights under or in connection with the Plant and Equipment.

### 3.8 **Goodwill**

Each Chargor charges by way of first fixed charge its present and future goodwill.

### 3.9 **Uncalled capital**

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

### 3.10 **Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all licences, consents and agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

### 3.11 **Assigned Contracts**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.11.1 the Assigned Contracts to which it is a party; and

3.11.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

### 3.12 **Assigned Insurances**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.12.1 the Assigned Insurances to which it is a party; and

3.12.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

### 3.13 **Floating Charge**

3.13.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

### 3.14 **Trust**

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

- 3.14.1 hold it on trust for the Security Agent as security for the payment and discharge of the Secured Liabilities; and
- 3.14.2 take such steps as the Security Agent may require to remove the impediment to assignment or charging it.

### 3.15 **Nature of Security created**

The Security created under this Deed is created:

- 3.15.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;
- 3.15.2 in favour of the Security Agent as trustee for the Secured Finance Parties; and
- 3.15.3 with full title guarantee.

## 4. **CRYSTALLISATION OF FLOATING CHARGE**

### 4.1 **Crystallisation: By Notice**

4.1.1 The Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.13 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) a Declared Default has occurred; or
- (b) the Security Agent reasonably considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
- (c) the Security Agent reasonably considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.13 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.13 (*Floating charge*).

### 4.2 **Crystallisation: Automatic**

The floating charge created by a Chargor under Clause 3.13 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

- 4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facilities Agreement) over any of the Secured Assets; or

- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if the Security Agent receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets, other than under this Agreement; or
- 4.2.6 in any other circumstance provided by law.

#### 4.3 **Assets acquired post-crystallisation**

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.13 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

#### 4.4 **Crystallisation: Moratorium where directors propose voluntary arrangement**

The floating charge created by Clause 3.13 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- 4.4.1 the obtaining of a moratorium; or
- 4.4.2 anything done with a view to obtaining a moratorium,

under Schedule A1 to the Insolvency Act 1986.

#### 4.5 **Partial crystallisation**

The giving of a notice by the Security Agent pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Security Agent and/or the Secured Finance Parties.

#### 4.6 **De-crystallisation of floating charge**

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Security Agent to the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### 5. **PERFECTION OF SECURITY**

#### 5.1 **Notices of assignment**

- 5.1.1 The Chargors must deliver notices of assignment in relation to the Assigned Contracts by issuing a notice in the form set out in Schedule 9 (Form of Notice of Assigned Contracts) addressed to the relevant counterparty promptly upon entering into the Assigned Contracts;

5.1.2 The Chargors shall, on request from the Security Agent if an Event of Default is continuing, deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

(a) Assigned Insurances:

by issuing a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer; and

(b) Charged Accounts:

by issuing promptly a notice in the form set out in Schedule 9 (*Form of notice of assignment of Charged Accounts*) addressed to the bank or financial institution with whom the Charged Account is held.

5.1.3 The Chargors shall use reasonable endeavours to procure that each notice of assignment is acknowledged by the party to whom it is addressed.

5.1.4 Each Chargor will deliver to the Security Agent:-

(a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and

(b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

## 5.2 Notices of Charge

The Chargors shall, at the request of the Security Agent if an Event of Default is continuing, deliver to the Security Agent (or procure delivery of) notices of charge (in form and substance satisfactory to the Security Agent (acting reasonably)) duly executed by, or on behalf of, the applicable Chargor in respect of the Charged Accounts, and shall use reasonable endeavours to procure that each notice is acknowledged by each bank or financial institution with which such Charged Accounts are opened or maintained. The execution of this Deed by the Chargors and the Security Agent shall constitute notice to the Security Agent and acknowledgement by the Security Agent of the charge created over any Charged Account opened or maintained with the Security Agent.

## 5.3 Documents of Title

### 5.3.1 Land

The Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Security Agent of either:-

(a) all deeds, certificates and other documents relating to such Land (which the Security Agent shall be entitled to hold and retain at the expense and risk of the Chargors); or

(b) an undertaking from the Company's solicitors (in form and substance acceptable to the Security Agent) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Security Agent.

### 5.3.2 Shares



The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to the Security Agent of:

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Security Agent so requires, pre-stamped; and
- (c) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which the Security Agent is entitled to hold at the expense and risk of the Chargors.

### 5.3.3 **Securities**

As soon as any Securities are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Security Agent or a nominee (and in any event as soon as the Security Agent so requests), such Chargor shall deposit with the Security Agent, in respect of or in connection with those Securities:

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Security Agent so requires, pre-stamped; and
- (c) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Security Agent is entitled to hold at the expense and risk of the Chargors.

## 5.4 **Application to the Land Registry**

Each Chargor and the Security Agent shall apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

### 5.4.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date*] in favour of National Westminster Bank Plc referred to in the charges register (Form P)"

5.4.2 a notice that:-

"National Westminster Bank Plc and Santander UK Plc are under an obligation to make further advances."

## 6. COVENANTS

### 6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Security Agent reasonably requires to:-

- 6.1.1 give effect to the requirements of this Deed;
- 6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Security Agent or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

### 6.2 Negative pledge

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 25.13 (*Negative pledge*) of the Facilities Agreement, except as expressly permitted under the terms of the Secured Finance Documents.

### 6.3 Disposals

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except as permitted by clause 25.14 (*Disposals*) of the Facilities Agreement.

### 6.4 Land

Each Chargor shall promptly notify the Security Agent in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Security Agent (at the cost of that Chargor) execute a legal mortgage in favour of the Security Agent of that property in any form which the Security Agent may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

## 7. SHARES AND SECURITIES

### 7.1 Shares: before a Declared Default

Prior to the occurrence of a Declared Default, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 7.1.3 promptly upon receipt, forward to the Security Agent copies of all notices and other communications received in connection with the Shares;
- 7.1.4 promptly comply with (and copy to the Security Agent) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of the Secured Finance Parties.

## 7.2 **Shares: after a Declared Default**

After the occurrence of a Declared Default, the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
  - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
  - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
  - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Security Agent may think fit, and the proceeds of any such action shall form part of the Secured Assets.

## 7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Security Agent may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Security Agent shall be reimbursed by the Chargor to the Security Agent on demand and shall carry interest from the date of

payment by the Security Agent until reimbursed at the rate notified to the Chargor by the Security Agent.

#### 7.4 **Securities: exercise of rights**

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Security Agent, would prejudice the effectiveness of, or the ability of the Security Agent to realise, the Security created by or pursuant to this Deed.

### 8. **INTELLECTUAL PROPERTY**

Each Chargor shall, if requested by the Security Agent and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Security Agent may require and do all acts that the Security Agent may require to perfect the Security taken by, or to record the interest of, the Security Agent in any registers relating to any registered Intellectual Property.

### 9. **MONETARY CLAIMS**

9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account (or, where required under the Secured Finance Documents or the Security Agent so requires, into a Charged Account).

9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Security Agent or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

9.3 If and to the extent that the Security Agent so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Security Agent may require into such Account(s) as the Security Agent may from time to time specify and pending such payment shall hold all such receipts on trust for the Security Agent.

### 10. **ACCOUNTS**

#### 10.1 **General**

10.1.1 Without prejudice to and in addition to Clauses 6.2 (*Negative pledge*) and 6.3 (*Disposals*):

- (a) the benefit of each Charged Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Charged Account without the prior written consent of the Security Agent (in its capacity as Security Agent under this Deed).

10.1.2 Upon the occurrence of a Declared Default, the Security Agent shall be deemed to have designated in writing all Accounts as Charged Accounts and at any time thereafter the Security Agent may exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of

their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

## 10.2 **Charged Accounts**

### 10.2.1 **Charged Accounts: before a Declared Default**

The Chargors shall, prior to the occurrence of a Declared Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account.

### 10.2.2 **Charged Accounts: after a Declared Default**

(a) The Security Agent shall, upon the occurrence of a Declared Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Charged Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).

(b) After the occurrence of a Declared Default, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account except with the prior consent of the Security Agent (in its capacity as such).

## 11. **ASSIGNED CONTRACTS AND ASSIGNED INSURANCES**

### 11.1 Each Chargor shall:-

11.1.1 deliver to the Security Agent, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as the Security Agent may reasonably require;

11.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner; and

11.1.3 notify the Security Agent of any breach of or default under an Assigned Contracts or Assigned Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Contract or Assigned Insurance, promptly upon becoming aware of the same.

### 11.2 The Chargors shall not, without the prior written consent of the Security Agent:

11.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Contracts or Assigned Insurance;

11.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Contracts or Assigned Insurance; or

11.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Contract or Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Contracts or Assigned Insurances,

except as permitted by the terms of the Secured Finance Documents.

### 11.3 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, until a Declared Default has occurred, the relevant Chargor may exercise

all its rights in respect of the Assigned Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Contracts.

- 11.4 Until a Declared Default has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Secured Finance Documents.

## 12. **PROTECTION OF SECURED ASSETS**

### 12.1 **Power to remedy**

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Security Agent reasonably considers that a Chargor has failed to comply with any such obligations, the Security Agent may, if it thinks fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Security Agent or its agents or contractors such access as the Security Agent may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

## 13. **DEMAND AND ENFORCEMENT**

### 13.1 **Enforcement**

The Security created by this Deed shall become enforceable upon:-

- 13.1.1 the occurrence of a Declared Default;
- 13.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it; or
- 13.1.3 the occurrence of any event causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

### 13.2 **Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 13.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 13.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property

so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Security Agent shall determine in a commercially reasonable manner;

13.2.4 subject to Clause 14.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

13.2.5 appoint an administrator of any Chargor.

### 13.3 **Disposal of the Secured Assets**

In exercising the powers referred to in Clause 13.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### 13.4 **Same rights as Receiver**

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Secured Assets.

### 13.5 **Delegation**

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit.

## 14. **RECEIVERS**

### 14.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

### 14.2 **Removal**

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

### 14.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

14.3.1 of the Security Agent under this Deed;

14.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

- 14.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 14.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and
- 14.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

#### 14.4 **Receiver as agent**

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Security Agent.

#### 14.5 **Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

#### 14.6 **Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

### 15. **APPLICATION OF MONEYS**

#### 15.1 **Application of moneys**

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 15.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Secured Finance Parties and/or as trustee in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 15.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent or any Receiver;
- 15.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facilities Agreement;
- 15.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.



## 16. **POWER OF ATTORNEY**

### 16.1 **Appointment**

Upon the occurrence of a Declared Default, each Chargor irrevocably and by way of security appoints:-

- 16.1.1 the Security Agent (whether or not a Receiver has been appointed);
- 16.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and
- 16.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

### 16.2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 16.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 16.1 (*Appointment*).

## 17. **CONSOLIDATION**

### 17.1 **Combination of accounts**

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Secured Finance Party may at any time after a Declared Default has occurred, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Security Agent or that Secured Finance Party, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

### 17.2 **Application**

The Security Agent's and each Secured Finance Party's rights under Clause 17.1 (*Combination of accounts*) apply:-

- 17.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 17.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 17.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Secured Finance Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and

17.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

## 18. **PROTECTION OF THIRD PARTIES**

### 18.1 **Statutory powers**

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Deed, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

### 18.2 **Purchasers**

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

18.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;

18.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

18.2.3 as to the propriety or validity of the exercise of those powers; or

18.2.4 with the application of any moneys paid to the Security Agent, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

### 18.3 **Receipts**

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Finance Party, any Receiver or any person to whom any of them have delegated any of their powers.

## 19. **PROTECTION OF THE SECURITY AGENT, THE SECURED FINANCE PARTIES AND ANY RECEIVER**

### 19.1 **No liability**

None of the Security Agent, the other Secured Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

### 19.2 **Not mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render the Security Agent, any Receiver or any of their respective officers or employees liable:-

19.2.1 to account as mortgagee in possession;

19.2.2 for any loss on realisation; or

19.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

### 19.3 **Indemnity**

Each Chargor shall indemnify and keep indemnified the Security Agent, each other Secured Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

19.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;

19.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;

19.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

19.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

19.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

### 19.4 **Interest**

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 19 (*Protection of the Security Agent, the Secured Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

### 19.5 **Indemnity out of the Secured Assets**

The Security Agent, the other Secured Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 19.3 (*Indemnity*).

### 19.6 **Liability of Chargors related to Secured Assets**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Secured Assets. None of the Secured Finance Parties, the Security Agent or any Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

**19.7 Continuing protection**

The provisions of this Clause 19 (*Protection of the Security Agent, the Secured Finance Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

**20. PROVISIONS RELATING TO THE SECURITY AGENT**

**20.1 Powers and discretions**

The rights, powers and discretions given to the Security Agent in this Deed:-

- 20.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;
- 20.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 20.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

**20.2 Certificates**

A certificate by an officer of the Security Agent:-

- 20.2.1 as to any amount for the time being due to the Secured Finance Parties or any of them; or
  - 20.2.2 as to any sums payable to the Security Agent under this Deed,
- shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

**20.3 Trusts**

The perpetuity period for any other constituted by this Deed shall be 125 years.

**21. PRESERVATION OF SECURITY**

**21.1 Continuing Security**

This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

**21.2 Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent or any other Secured Finance Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

**21.3 Waiver of Defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Agent or any other Secured Finance Party) including:-

- 21.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 21.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 21.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 21.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 21.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 21.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 21.3.7 an insolvency, liquidation, administration or similar procedure.

#### 21.4 **Immediate recourse**

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

#### 21.5 **Appropriations**

During the Security Period the Security Agent and each Secured Finance Party may:-

- 21.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 15.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 21.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

#### 21.6 **New accounts**

If the Security Agent or any other Secured Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Secured Assets or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Security Agent and the relevant Secured Finance Party or Secured Finance Parties may close the current account or accounts and/or open a new account or accounts for such Chargor. If the Security Agent or any other Secured Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Security

Agent or that Secured Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

## 21.7 **Tacking**

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Secured Finance Parties that the Secured Finance Parties shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

## 21.8 **Deferral of Chargor's rights**

During the Security Period and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 21.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 21.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;
- 21.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Finance Party under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by any Secured Finance Party;
- 21.8.4 to exercise any right of set-off against any Obligor; and/or
- 21.8.5 to claim or prove as a creditor of any Obligor in competition with any Secured Finance Party.

## 22. **RELEASE**

### 22.1 **Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 22.1.1 release the Secured Assets from this Deed; and
- 22.1.2 re-assign the Secured Assets that has been assigned to the Security Agent under this Deed.

### 22.2 **Reinstatement**

If the Security Agent considers that any amount paid or credited to any Secured Finance Party under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

- 22.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and
- 22.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

### 22.3 **Consolidation**

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

## 23. **MISCELLANEOUS PROVISIONS**

### 23.1 **Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

23.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

23.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

### 23.2 **Information**

The Security Agent may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as the Security Agent may think fit and each Chargor agrees that it will use reasonable endeavours to request any such person to provide any such information to the Security Agent and agrees to provide such further reasonable authority in this regard as the Security Agent or any such third party may from time to time require.

### 23.3 **Joint and separate liability**

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

### 23.4 **Counterparts**

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

### 23.5 **Deeds of Accession**

23.5.1 The Company and each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

23.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed

to include the Security created by or pursuant to any Deed of Accession.

- 23.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

24. **GOVERNING LAW**

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

25. **ENFORCEMENT**

25.1 **Jurisdiction of English Courts**

- 25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.
- 25.1.3 This Clause 25.1 is for the benefit of the Secured Finance Parties only. As a result, no Secured Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Finance Parties may take concurrent proceedings in any number of jurisdictions.

**EXECUTED AND DELIVERED AS A DEED** on the date set out at the beginning of this Deed.



Schedule 1

THE CHARGORS

Company name	No	Original Jurisdiction
Meininger Hotels Limited	08895474	England and Wales
Meininger Limited	05898245	England and Wales
Meininger Hotel Europe Limited	09578443	England and Wales

**Schedule 2**

**DETAILS OF LAND**

**REGISTERED LAND**

None at the date of this deed.

**UNREGISTERED LAND**

None at the date of this deed.

**Schedule 3**  
**DETAILS OF SHARES**

<b>Name of Company</b>	<b>Description and Number of Shares</b>	<b>Name of Shareholder</b>
Meininger Hotel Europe Limited	1 ordinary share of £1 each	Meininger Hotels Limited

**Schedule 4**

**DETAILS OF ASSIGNED CONTRACTS**

None at the date of this deed.

**Schedule 5**

**DETAILS OF ASSIGNED INSURANCES**

None at the date of this deed.

**Schedule 6**

**DETAILS OF CHARGED ACCOUNTS**

None at the date of this deed.

## Schedule 7

### DEED OF ACCESSION

**THIS DEED** is made on [ ]

**BETWEEN:-**

- (1) [ ] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [ ];
- (2) **MEININGER HOTELS LIMITED** (the "**Company**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) **NATIONAL WESTMINSTER BANK PLC** as the Security Agent.

**INTRODUCTION**

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of Company.
- (B) This Deed is supplemental to a deed dated [ ] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Company, each of the companies named in the Debenture as Chargors, and National Westminster Bank plc as agent and trustee for the Secured Finance Parties.
- (C) The New Chargor at the request of the Company and in consideration of the Secured Finance Parties making or continuing to make facilities available to the Company or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

**IT IS AGREED** as follows:-

1. **DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

2. **ACCESSION**

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. **SECURITY**

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Finance Parties, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);

- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);
- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);
- 3.4 the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*); and
- 3.5 the Charged Accounts charged by way of fixed charge shall include those referred to in Schedule 5 (*Charged Accounts*).

4. **CONSENT OF EXISTING CHARGORS**

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. **EFFECT ON DEBENTURE**

- 5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.
- 5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. **GOVERNING LAW**

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

**EXECUTED AS A DEED AND DELIVERED** on the date set out at the beginning of this Deed.



**SCHEDULE 1**

**LAND**

**SCHEDULE 2**

**SHARES**

**SCHEDULE 3**

**ASSIGNED INSURANCES**

**SCHEDULE 4**

**ASSIGNED CONTRACTS**

**SCHEDULE 5**

**CHARGED ACCOUNTS**

## SIGNATURE PAGES TO DEED OF ACCESSION

### The New Chargor

**EXECUTED** as a Deed by **[NAME OF ]**  
**COMPANY] [LIMITED] [PLC]** )  
acting by **[NAME OF DIRECTOR]**, a )  
Director, in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: [ ]

### The Company

**EXECUTED** as a Deed by **MEININGER ]**  
**HOTELS LIMITED ]**  
acting by **[NAME OF DIRECTOR]**, a Director, )  
in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: [ ]

## The Security Agent

**SIGNED** for and on behalf of )  
**NATIONAL WESTMINSTER BANK PLC** )

## Schedule 8

### FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

**To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant insurer]

Date: [ ]

Dear Sirs,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER]  
(THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]**

1. We give you notice that we have entered into a debenture dated [ ] in favour of National Westminster Bank Plc (the "**Security Agent**") (the "**Debenture**").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Policy.
4. With effect from the date of receipt of this notice, we instruct you to:
  - 4.1 following the Security Agent's notification to you that a Declared Default has occurred (but not at any other time) make all payments and claims under or arising from the [each of] the Polic[y][ies] to the Security Agent to such account (or to its order) as it may specify in writing from time to time;
  - 4.2 disclose to the Security Agent, without further approval from us, such information regarding the Polic[y][ies] as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Security Agent.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
7. By countersigning this letter, you confirm that:-
  - 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;

- 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Security Agent 30 days written notice of it or, if it is not possible to comply with such notification to the Security Agent in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Security Agent in relation to such termination as soon as possible; and
- 7.3 you will not, without the Security Agent's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
[COMPANY/CHARGOR]

**Acknowledged:**

.....

For and on behalf of

[Name of insurer]

**Schedule 9****FORM OF NOTICE OF ASSIGNMENT OF CHARGED ACCOUNTS****To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant account bank]

Date: [ ]

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [ ] in favour of National Westminster Bank Plc (the "**Security Agent**") (the "**Debenture**").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "**Charged Account[s]**"):

<b>Account holder</b>	<b>Account name</b>	<b>Account number</b>	<b>Sort code</b>

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in the Charged Account[s] including, without limitation all money at any time standing to the credit of the Charged Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. Prior to receipt by you of a notice from the Security Agent that a Declared Default (as defined in the Debenture) has occurred, the Chargors will have the sole right: (i) to operate and transact business in relation to the Charged Accounts (including making withdrawals from and effecting closures of the Charged Accounts), and (ii) to deal with you in relation to the Charged Accounts.
5. Following receipt by you of a written notice from the Security Agent specifying a Declared Default has occurred under the Debenture (but not at any other time), the Chargors irrevocably and unconditionally authorise you:
  - 5.1 to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and

- 5.2 to disclose to the Security Agent any information relating to the Chargor and the Charged Accounts which the Security Agent may from time to time request you to provide.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent and the Chargors.
7. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
**[COMPANY/CHARGOR]**

**Acknowledged:**

.....

For and on behalf of

*[Name of account bank]*

## Schedule 10

### FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: [ ]

Dear Sirs,

#### [DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into a debenture dated [ ] in favour of [SECURITY AGENT] (the "Security Agent") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
4. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
[COMPANY/CHARGOR]



**Acknowledged:**

.....

For and on behalf of  
  
*[Name of contract counterparty]*

EXECUTION PAGES

The Chargors

EXECUTED as a Deed )  
by MEININGER HOTELS LIMITED )  
acting by , a Director, )  
in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed )  
by MEININGER LIMITED )  
acting by , a Director, )  
in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

EXECUTED as a Deed )  
by MEININGER HOTEL EUROPE LIMITED )  
acting by , a Director, )  
in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

**The Security Agent**

**SIGNED** for and on behalf of  
**NATIONAL WESTMINSTER BANK PLC**

)  
) DocuSigned by:  
[Redacted Signature]  
AA083210547E4E7...