



Registration of a Charge

Company name: **F&A HOTELS LIMITED**

Company number: **11391899**



X713B0E2

Received for Electronic Filing: **05/11/2018**

Details of Charge

Date of creation: **01/11/2018**

Charge code: **1139 1899 0001**

Persons entitled: **HSBC UK BANK PLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **BLAKE MORGAN LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11391899

Charge code: 1139 1899 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st November 2018 and created by F&A HOTELS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th November 2018 .

Given at Companies House, Cardiff on 7th November 2018

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

DATED 1 NOVEMBER 2018

(1) F & A HOTELS LIMITED

- and -

(2) HSBC UK BANK PLC

SHARE CHARGE

relating to

World Credit Limited and Mornington
Limited

HSBC 

HSBC UK Bank plc

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THIS DEED is made on 1 NOVEMBER

2018

BETWEEN:

- (1) **F & A HOTELS LIMITED**, a company incorporated and registered under the laws of England and Wales with registered number 11391899 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF (the "**Chargor**"); and
- (2) **HSBC UK BANK PLC** (the "**Lender**")

IT IS AGREED as follows:

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In this Deed:

"Affiliate"	means a Subsidiary of a company, a Holding Company of that company or any other Subsidiary of that Holding Company
"Authorisation"	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
"Borrower"	<p>(1) Ariyan Hotels Limited, a company incorporated and registered under the laws of England and Wales with registered number 09558356 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF;</p> <p>(2) World Credit Limited, a company incorporated and registered under the laws of England and Wales with registered number 04135635 whose registered office is at 16 Rickmansworth Road, Northwood, Middlesex, HA6 1HA;</p> <p>(3) Mornington Investments Limited, a company incorporated and registered under the laws of Jersey with registered number 83603 whose registered office is at No.2, The Forum, Grenville Street, St.Helier, Jersey; and</p> <p>(4) Ace Investments Limited, a company incorporated and registered under the laws of England and Wales with registered number 05905595 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF.</p>
"Holding Company"	has the meaning given in section 1159 of the Companies Act 2006
"Interest Rate"	means the rate of interest payable on any facility secured by the Security
"Parallel Security Document"	means any security document in respect of any asset secured under this Deed entered into by the Chargor in favour of HSBC UK Bank plc
"Receiver"	means a receiver and/or manager of any or all of the Chargor's assets appointed by the Lender under the Security

"Secured Liabilities"	means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Borrower to the Lender and all monies covenanted by the Chargor to be paid under this Deed
"Security"	means the Security Interests created or intended to be created by or pursuant to this Deed
"Security Assets"	means all the Chargor's assets from time to time the subject of Security
"Security Interest"	means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Shares"	means the shares and associated rights referred to in Clause 4 (<i>The Charge</i>)
"Subsidiary"	has the meaning given in section 1159 of the Companies Act 2006

1.2 Interpretation

1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (a) **"assets"** includes present and future properties, revenues and rights of every description;
- (b) **"the Lender"** shall be construed to include its successors in title, permitted assigns and permitted transferees;
- (c) a **"disposal"** includes a lease, licence, transfer, sale or other disposal of any kind;
- (d) **"includes"** or **"including"** shall be read and construed as including the phrase **"without limitation"**;
- (e) **"this Deed"** or any other agreement or instrument is a reference to this Deed, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Chargor's obligations or provides for further advances);
- (f) a provision of law is a reference to that provision as amended or re-enacted; and
- (g) the singular includes the plural and vice versa.

1.2.2 When any provision of this Deed refers to an approval or consent by the Lender that provision shall be construed so as to require that consent or approval to be given in writing.

1.2.3 Where the Chargor includes two or more entities a reference to the Chargor shall mean to each of the entities severally as well as all of the entities jointly.

1.2.4 Where the Chargor is not a limited company, references to 'its' and 'it' shall be read and construed as references to 'his' and 'him' or 'her' as applicable.

1.2.5 References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Deed.

1.2.6 Clause headings are for ease of reference only and shall not affect the construction of this Deed.

1.2.7 If the Lender reasonably considers that an amount paid by the Chargor under this Deed or by the Borrower is capable of being avoided or otherwise set aside on the bankruptcy, liquidation or administration of the Chargor or the Borrower, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.3 Third party rights

Only a Receiver has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this document take effect as a deed notwithstanding the fact that the Lender may only execute this document under hand.

2. COVENANT TO PAY

2.1 Covenant to pay

The Chargor shall pay and discharge each of the Secured Liabilities when the same fall due for payment.

2.2 Further advances

This Deed is made to secure any further advances or other facilities but it does not create any obligation on the Lender to make any further advances or make other facilities available.

2.3 Default interest

2.3.1 Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate that is two per cent above the Interest Rate from time to time.

2.3.2 Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender considers are appropriate.

3. NATURE OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 as security for the discharge of the Secured Liabilities.

3.2 Trust

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

3.2.1 hold it on trust for the Lender as security for the payment and discharge of the Secured Liabilities; and

- 3.2.2 take such steps as the Lender may require to remove the impediment to assignment or charging it.

3.3 **Ranking**

The Chargor consents to the Lender and HSBC Bank plc entering into priority, intercreditor or other similar arrangements (to which the Chargor shall not be party) to regulate the ranking of the security granted by the Chargor under this Deed and any Parallel Security Document.

4. **THE CHARGE**

The Chargor charges to the Lender by way of first fixed charge all of its rights in and to the shares referred to in the Schedule (*Shares*) together with all dividends, distributions and other income paid or payable and all rights, monies or property accruing or offered at any time in relation to such assets whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

5. **REPRESENTATIONS**

5.1 **General**

The Chargor makes the representations and warranties set out in this Clause 5 (*Representations*) to the Lender on the date of this Deed and on each day the Secured Liabilities are outstanding.

5.2 **Status**

5.2.1 If the Chargor is a company it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

5.2.2 It and each of its subsidiaries have the power to own their assets and carry on their respective businesses as they are being conducted.

5.3 **Binding obligations**

5.3.1 The Chargor's obligations in this Deed are legal, valid, binding and enforceable obligations.

5.3.2 The Security Interests which this Deed purports to create are valid and effective and are not liable to be avoided or otherwise set aside on the Chargor's death, bankruptcy, liquidation or administration.

5.4 **Non-conflict with other obligations**

The entry into and performance by the Chargor of its obligations under this Deed and the granting of the Security do not and will not conflict with:

5.4.1 any law or regulation applicable to it;

5.4.2 (if the Chargor is not an individual) its constitutional documents; or

5.4.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

5.5 **Power and authority**

5.5.1 The Chargor has the power to enter into, perform and deliver, and have taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the grant of the Security.

- 5.5.2 No limit on the Chargor's powers will be exceeded as a result of the grant of the Security.
- 5.5.3 The Chargor has not received any warning notice or restriction notice from a company listed in Schedule 1 under Part 21A of the Companies Act 2006.

5.6 Validity and admissibility in evidence

- 5.6.1 All Authorisations required or desirable to enable it lawfully to enter into, and comply with its obligations under this Deed and to grant the Security have been obtained or effected and are in full force and effect.
- 5.6.2 All Authorisations necessary for the conduct of its business, trade and ordinary activities have been obtained or effected and are in full force and effect.

5.7 Solvency

As at the date of this Deed:

- 5.7.1 where the Chargor is a company or limited liability partnership, it is able to meet its debts as they fall due and is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction; or
- 5.7.2 where the Chargor is an individual, they are not deemed either unable to pay their debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction; or
- 5.7.3 where the Chargor is a partnership, none of the foregoing (or any analogous provision in any relevant jurisdiction) applies to any of its partners.

5.8 Title and ranking

- 5.8.1 No Security Interest exists over the Security Assets other than pursuant to a Parallel Security Document as permitted by this Deed.
- 5.8.2 The Chargor has a good and marketable title to and is the sole legal and beneficial owner of the Shares, which are fully paid.
- 5.8.3 The Security has or will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security Interest other than pursuant to a Parallel Security Document.
- 5.8.4 The Chargor has not entered into any agreement or option to dispose of the Shares other than as is contained in this Deed.
- 5.8.5 The Shares (save for the shares in Ariyan Limited) constitute all of the issued share capital of World Credit Limited, Mornington Limited and Mornington Investments Limited respectively.
- 5.8.6 The Shares in Ariyan Limited constitute 80% of all the issued share capital of Ariyan Limited

5.9 Centre of main interest and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**"), the Chargor's "*centre of main interest*" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and the Chargor has no "*establishment*" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

6. GENERAL UNDERTAKINGS

6.1 Negative pledge

The Chargor shall not:

- 6.1.1 create or permit to subsist any Security Interest (other than a Security Interest created under any Parallel Security Document) over the Security Assets without the consent of the Lender; or
- 6.1.2 make any disposal of the Shares unless the Lender consents.

6.2 Deposit of certificates and transfers

6.2.1 The Chargor must ensure that the following documents are deposited with the Lender:

- (a) all stock and share certificates and documents of title relating to the Shares;
- (b) transfers of the Shares duly completed in favour of the Lender or otherwise as the Lender may direct; and
- (c) any other documents which the Lender may from time to time require for perfecting title to the Shares (duly executed by or signed on behalf of the registered holder) or for vesting or enabling the Lender to vest those Shares in itself, its nominees or in any purchaser.

The Chargor shall be deemed to have complied with this Clause if it has complied with the equivalent clause of any Parallel Security Document relating to the Shares.

- 6.2.2 The Chargor must execute such documents, pass such resolutions or take such other action as is necessary to protect the Lender's title to the Shares.
- 6.2.3 The Chargor must ensure that all or any of the Shares are transferred into the name of the Lender, its nominee or agent on request.

6.3 No share issues

The Chargor shall (to the extent within its power) ensure that without the Lender's prior consent, no company whose share capital includes or comprises the Shares will:

- 6.3.1 issue or allot any shares or other securities or enter into or permit any agreement or other arrangement to make, or entitle any person to call for, an issue or allotment of that company's shares or other securities;
- 6.3.2 in any way modify the rights attached to any of the shares in its issued share capital;
- 6.3.3 increase, consolidate, sub-divide or reduce its share capital;
- 6.3.4 alter its articles of association;
- 6.3.5 purchase its own shares or reduce its share capital; or
- 6.3.6 take any step to place itself in liquidation or administration or pass any resolution to wind itself up.

6.4 Calls

The Chargor shall ensure all calls, instalments or other payments which may be made or become due in respect of the Shares are punctually met as and when the same become due from time to time.

6.5 Persons with significant control

6.5.1 The Chargor shall respond promptly (and in any event within the time required by law) to any request for information or notice served on it by a company listed in Schedule 1 under or pursuant to Part 21A of the Companies Act 2006.

6.5.2 The Chargor shall promptly upon receipt provide to the Lender a copy of any warning notice or restriction notice served on it in respect of the Shares under Part 21A of the Companies Act 2006.

7. FURTHER ASSURANCE

The Chargor shall at its own expense ensure any documents are executed and any acts and things are done which the Lender may reasonably require from time to time for:

7.1 giving effect to, perfecting or protecting the Security;

7.2 facilitating the realisation of the Shares;

7.3 facilitating the exercise of all powers, authorities and discretions vested by this Deed in the Lender or in any Receiver; or

7.4 perfecting any Security over any Shares acquired by it after the date of this Deed.

8. ENFORCEMENT

8.1 Remedying defaults

The Lender or a Receiver may (but is not obliged to) take any action to remedy a failure by the Chargor to observe and perform the provisions of this Deed at the Chargor's cost.

8.2 Timing of enforcement

8.2.1 The Secured Liabilities are deemed to have become due on the date of this Deed.

8.2.2 The Security shall become enforceable on the earlier of:

(a) the date the Lender demands repayment of any of the Secured Liabilities;

(b) the date the Chargor breaches a provision of this Deed or any document evidencing the facilities to which the Secured Liabilities relate;

(c) the date the Borrower breaches a provision of any document evidencing the facilities to which the Secured Liabilities relate;

(d) any Security Interest created pursuant to a Parallel Security Document becoming enforceable; and

(e) the Chargor's request.

8.2.3 Neither section 93(1) nor section 103 of the Law of Property Act 1925 shall apply to this Deed.

8.3 Powers of the Lender

8.3.1 At any time after the Security becomes enforceable or if requested by the Chargor, the Lender may without further notice (unless required by law):-

- (a) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) appoint or apply for the appointment of any person who is appropriately qualified as the Chargor's administrator; and/or
- (c) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (d) exercise (in the Chargor's name) any voting rights and any powers or rights which may be exercised by the Chargor in relation to the Shares.

8.3.2 The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to Security which (as created) was a floating charge solely by reason of a moratorium being obtained under Schedule A1 to the Insolvency Act 1986 or anything done with a view to obtaining such a moratorium.

8.4 No liability

Neither the Lender nor any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Shares for any loss on realisation or for any other default or omission. No exercise of the right in Clause 8.1 (*Remedying defaults*) shall render the Lender or a Receiver a mortgagee in possession. Neither the Lender nor the Receiver is under any obligation to exercise any power or discretion enjoyed by it in relation to the Shares.

9. RECEIVER

9.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

9.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Shares and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

9.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender) and section 109(6) of the Law of Property Act 1925 shall not apply.

9.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

9.5 **Chargor's agent**

Any Receiver shall be the Chargor's agent and the Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. **POWERS OF RECEIVER**

10.1 **General powers**

10.1.1 Any Receiver shall have:

- (a) all the powers which are conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act but without the restrictions contained in sections 103 or 109(1) of that Act;
- (b) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (c) all powers which are conferred by any other law conferring power on receivers.

10.1.2 To the extent that the Shares constitute "financial collateral" and this Deed and the Chargor's obligations under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

10.1.3 For the purpose of Clause 10.1.2 the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

10.2 **Additional powers**

In addition to the powers referred to in Clause 10.1 (*General powers*), a Receiver shall have the following powers:

- 10.2.1 to take possession of, collect and get in all or any part of the Shares and/or income in respect of which he was appointed;
- 10.2.2 to manage the Security Assets as he thinks fit;
- 10.2.3 to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 10.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Shares in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation:
 - (a) the consideration for any such transaction may consist of cash, deeds or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (b) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;

- 10.2.5 to take any such proceedings in the Chargor's name as he shall think fit in respect of the Shares and/or income in respect of which he was appointed (including proceedings for recovery of dividends or other monies in arrears at the date of his appointment);
- 10.2.6 to carry out any sale, or other disposal of all or any part of the Shares by conveying, transferring or assigning the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in its name and so as to bind it;
- 10.2.7 to exercise any voting rights attached to any of the Shares;
- 10.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 10.2.9 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm); and
- 10.2.10 to:
 - (a) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of the Shares;
 - (b) exercise in relation to the Shares all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Shares; and
 - (c) use the Chargor's name for any of the above purposes.

10.3 Limitation

- 10.3.1 The Lender may in the instrument by which a Receiver is appointed limit the powers of the Receiver.
- 10.3.2 The Receiver shall be under no duty to the Chargor to exercise any power he may have and shall not incur any liability to the Chargor either by virtue of the exercise of such powers or by virtue of a failure to exercise such powers.

11. APPROPRIATION OF RECEIPTS

11.1 Application

- 11.1.1 Subject to Clause 11.2 (*Suspense account*), any monies received by the Lender in respect of the Security (subject to the payment of any claims having priority to the Security, but in substitution for section 109(8) of the Law of Property Act 1925) shall be applied in the following order of priority:
 - (a) in discharging the remuneration of any Receiver and all costs, charges and expenses of and incidental to his or her appointment;
 - (b) in or towards payment or discharge of the Secured Liabilities; and
 - (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 11.1.2 The Lender may apply sums received towards the payment or discharge of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner as it thinks fit. The Lender may override any appropriation made by the Chargor.

11.2 Suspense account

Any monies received by the Lender or any Receiver may be placed in an interest bearing suspense or securities realised account and kept there for so long as the Lender considers prudent.

12. SET-OFF

12.1 The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid or any contingent obligation from the Chargor against any obligation (whether or not matured) owed by the Lender or any of its Affiliates to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

12.2 If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

13. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange.

14. NEW ACCOUNT

If the Lender receives or is deemed to be affected by notice (whether actual or constructive) of any subsequent Security Interest affecting some or all of the Shares or their proceeds of sale, then the Lender may open a new account for the Chargor. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, the notice. As from that time, any payment made to the Lender for the Chargor's account shall be credited (or be treated as having been credited) to the new account and shall not operate to reduce the amount for which the Security applies.

15. CUSTODY

The Lender shall be entitled to provide for the safe custody by third parties of all documents deposited with it in connection with the Security Assets and shall not be responsible for any loss or damage to such documents unless such loss or damage occurs as a result of the wilful default or gross negligence of the Lender.

16. DELEGATION AND APPOINTMENT OF ATTORNEYS

16.1 Delegation

16.1.1 The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable under this Deed. A delegation may be made in any manner (including by power of attorney) in and on any terms (including power to sub-delegate) which the Lender thinks fit.

16.1.2 The Lender shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates.

16.2 Attorneys

16.2.1 By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under Clause 16.1 (*Delegation*) separately to be its attorney on its behalf, in its name:

- (a) to execute and do any documents, acts and things which it is required to execute and do under this Deed; and

- (b) to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Deed or by law on the Lender or any Receiver.

16.2.2 The Chargor ratifies and confirms anything which any of its attorneys does in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 16.2 (*Attorneys*).

17. REDEMPTION OF PRIOR SECURITY INTERESTS

17.1 Redemption

The Lender may at any time redeem, or procure the transfer to it of, any prior Security Interest over any Security Assets at the Chargor's cost.

17.2 Costs of redemption

All principal monies, interest, costs, charges and expenses incurred in and incidental to any redemption or transfer under Clause 17.1 (*Redemption*) shall be paid by the Chargor on demand, in each case together with interest calculated and in the manner referred to in Clause 21 (*Indemnities*).

18. RELEASES

18.1 Releases conditional

18.1.1 Any release, settlement, discharge, re-assignment or arrangement in respect of the Security (in this Clause 18 (*Releases*), a **release**) made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.

18.1.2 If any avoidance, reduction, or clawback occurs or any order is made as referred to in Clause 18.1 (*Releases conditional*), then the release shall have no effect and shall not prejudice the Lender's right to enforce the Security in respect of the Secured Liabilities. As between the Chargor and the Lender, the Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

18.2 Retention

18.2.1 If and for so long as any assurance, security or payment as is mentioned in Clause 18.1 (*Releases conditional*) remains in the reasonable opinion of the Lender susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of the Security and other rights under this Deed as security for the Secured Liabilities after they have been paid and discharged in full.

18.2.2 If, at any time while all or part of the Lender's rights under this Deed are so retained:

- (a) an application is made to a competent court for a winding-up order to be made in respect of the Chargor;
- (b) steps are taken to wind the Chargor up;
- (c) an application is made to a competent court for an administration order to be made in respect of the Chargor;
- (d) a notice of intention to appoint an administrator to the Chargor is filed at court;
or

(e) the appointment of an administrator to the Chargor takes effect,

then the Lender may continue to retain all or part of its rights under this Deed for any further period as the Lender may determine in its absolute discretion.

19. CONTINUING SECURITY

19.1 Continuing security

The Security is continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

- 19.1.1 intermediate payment or discharge of the whole or part of the Secured Liabilities;
- 19.1.2 the Chargor's death, bankruptcy, liquidation or other incapacity or any change in its constitution, name or style;
- 19.1.3 any change in the Lender's constitution, name or style, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or
- 19.1.4 any other event, matter or thing.

19.2 Additional to other rights

The Security is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security Interest or other right which may be or have been created (by the Chargor or otherwise) in favour of the Lender. Accordingly, the Chargor's liability under this Deed shall not be prejudiced or affected by, and this Deed may be enforced notwithstanding:

- 19.2.1 the existence or invalidity of all or any of those rights; or
- 19.2.2 at any time, the Lender exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

20. THIRD PARTY PROTECTION

No purchaser, mortgagee or other person dealing with the Lender or a Receiver shall be concerned:

- 20.1 to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged;
- 20.2 whether the power which the Lender or Receiver is purporting to exercise has become exercisable; or
- 20.3 to see to the application of any money paid to the Lender or to a Receiver.

21. INDEMNITIES

The Chargor agrees to fully indemnify the Lender and any Receiver (and in the case of legal costs and expenses on a solicitor and own client basis) on demand against all liabilities, losses, claims, actions, damages, costs and expenses incurred by, made or brought against the Lender or Receiver (or any manager or agent appointed by the Lender or Receiver):

- 21.1 as a result of the Chargor's failure to perform any of its obligations under this Deed;

- 21.2 arising with the vesting of the Shares in the Lender or the revesting of the Shares in the Chargor on redemption of the Security;
- 21.3 in the exercise (or purported exercise) of any of the powers or other rights conferred by this Deed;
- 21.4 in respect of any costs, charges or expenses incurred in connection with Clause 13 (*Currency Conversion*);
- 21.5 in respect of the redemption of any prior Security Interest over the Shares under Clause 17 (*Redemption of Prior Security Interests*);
- 21.6 in respect of any other matter or thing done or omitted relating to the Shares,

together in each case with interest at the Interest Rate calculated on a daily basis from the date it is incurred or becomes payable to the Lender or the Receiver until the date of payment, whether before or after any judgment.

22. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of the Secured Liabilities is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

23. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. REMEDIES AND WAIVERS

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

25. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Chargor and the Lender agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

26. TRANSFER AND CONFIDENTIALITY

26.1 Transfer

26.1.1 The Lender may assign and/or transfer its rights and obligations under this Deed.

26.1.2 The Chargor shall not assign any of its rights or transfer any of its obligations under this Deed.

26.2 Confidentiality

The Lender may disclose to:-

- 26.2.1 any transferee or potential transferee;
 - 26.2.2 any assignee or potential assignee;
 - 26.2.3 any person with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to or including the Liabilities;
 - 26.2.4 any ratings agency;
 - 26.2.5 any of the officers, directors, employees, professional advisers, auditors, partners and representatives of the persons referred to in Clauses 26.2.1 to 26.2.4;
 - 26.2.6 any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives;
 - 26.2.7 any person to whom information is required or requested to be disclosed by any court of a competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
 - 26.2.8 any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; and
 - 26.2.9 any insurance company or underwriters in relation to the insurance of the Properties,
- such confidential information as the Lender shall consider appropriate.

27. MANAGEMENT TIME

The Lender reserves the right to charge for its management time or other resources (which will be calculated on the basis of such reasonable daily or hourly rates as the Lender may notify to the Chargor from time to time).

28. COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party may enter into this Deed by executing a counterpart.

29. NOTICES

29.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, must be made by letter.

29.2 Addresses

The Lender may deliver any communication, document or notice to the Chargor relating to this Deed to its registered office, to any address to which a notice under any facility relating to the Secured Liabilities might be sent or any additional address the Chargor may notify to the Lender by not less than five business days' notice.

29.3 Delivery

29.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant

address or five business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.

- 29.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

30. **PARALLEL SECURITY DOCUMENTS**

The Chargor may at any time enter into a Parallel Security Document. Entry into and performance of the terms of a Parallel Security Document shall not breach any term of this Deed.

31. **GOVERNING LAW**

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

32. **ENFORCEMENT**

32.1 **Jurisdiction**

- 32.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including disputes regarding the existence, validity or termination of this Deed, the Security Interests intended to be created by it or any non-contractual obligations arising out of or in connection with it) (a "**Dispute**").

- 32.1.2 The Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary.

- 32.1.3 This Clause 32.1 is for the benefit of the Lender only. The Lender may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof the Chargor has executed this Deed as a deed the year and date appearing on the first page of it.

SCHEDULE 1

THE SHARES

Number of Shares	Class of Shares	Company Name and Registered Number	Company Jurisdiction of Incorporation
76	Ordinary Shares of £1.00 each	World Credit Limited (registered number: 04135635)	England & Wales
100	Ordinary Shares of £1.00 each	Mornington Limited (registered number: 04485163)	England & Wales

EXECUTION PAGE

Executed as a Deed by)
)
F & A Hotels Limited)
acting by a)
director)

(name of director)

Director

In the presence of:

Signature of Witness _____

Print full name _____

Address _____

Occupation _____

THE LENDER)
)

SIGNED for and on behalf of

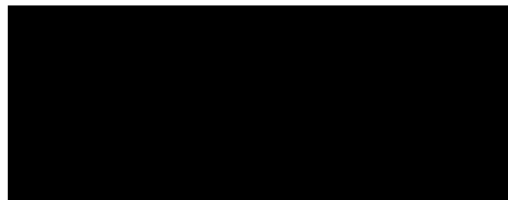
HSBC UK BANK PLC



ROBERT MITTON

Communications to the Lender are to be delivered to:

Address:



For the attention of:

DATED 1 November 2018

(1) F & A HOTELS LIMITED

- and -

(2) HSBC UK BANK PLC

SHARE CHARGE

relating to

World Credit Limited and Mornington
Limited

HSBC 

HSBC UK Bank plc

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THIS DEED is made on

1 November

2018

BETWEEN:

- (1) **F & A HOTELS LIMITED**, a company incorporated and registered under the laws of England and Wales with registered number 11391899 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF (the "**Chargor**"); and
- (2) **HSBC UK BANK PLC** (the "**Lender**")

IT IS AGREED as follows:

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In this Deed:

"Affiliate"	means a Subsidiary of a company, a Holding Company of that company or any other Subsidiary of that Holding Company
"Authorisation"	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
"Borrower"	<p>(1) Ariyan Hotels Limited, a company incorporated and registered under the laws of England and Wales with registered number 09558356 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF;</p> <p>(2) World Credit Limited, a company incorporated and registered under the laws of England and Wales with registered number 04135635 whose registered office is at 16 Rickmansworth Road, Northwood, Middlesex, HA6 1HA;</p> <p>(3) Mornington Investments Limited, a company incorporated and registered under the laws of Jersey with registered number 83603 whose registered office is at No.2, The Forum, Grenville Street, St.Helier, Jersey; and</p> <p>(4) Ace Investments Limited, a company incorporated and registered under the laws of England and Wales with registered number 05905595 whose registered office is at Jubilee House, 7-9 The Oaks, Ruislip, Middlesex, HA4 7LF.</p>
"Holding Company"	has the meaning given in section 1159 of the Companies Act 2006
"Interest Rate"	means the rate of interest payable on any facility secured by the Security
"Parallel Security Document"	means any security document in respect of any asset secured under this Deed entered into by the Chargor in favour of HSBC UK Bank plc
"Receiver"	means a receiver and/or manager of any or all of the Chargor's assets appointed by the Lender under the Security

"Secured Liabilities"	means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Borrower to the Lender and all monies covenanted by the Chargor to be paid under this Deed
"Security"	means the Security Interests created or intended to be created by or pursuant to this Deed
"Security Assets"	means all the Chargor's assets from time to time the subject of Security
"Security Interest"	means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Shares"	means the shares and associated rights referred to in Clause 4 (<i>The Charge</i>)
"Subsidiary"	has the meaning given in section 1159 of the Companies Act 2006

1.2 Interpretation

1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (a) **"assets"** includes present and future properties, revenues and rights of every description;
- (b) **"the Lender"** shall be construed to include its successors in title, permitted assigns and permitted transferees;
- (c) a **"disposal"** includes a lease, licence, transfer, sale or other disposal of any kind;
- (d) **"includes"** or **"including"** shall be read and construed as including the phrase **"without limitation"**;
- (e) **"this Deed"** or any other agreement or instrument is a reference to this Deed, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Chargor's obligations or provides for further advances);
- (f) a provision of law is a reference to that provision as amended or re-enacted; and
- (g) the singular includes the plural and vice versa.

1.2.2 When any provision of this Deed refers to an approval or consent by the Lender that provision shall be construed so as to require that consent or approval to be given in writing.

1.2.3 Where the Chargor includes two or more entities a reference to the Chargor shall mean to each of the entities severally as well as all of the entities jointly.

1.2.4 Where the Chargor is not a limited company, references to 'its' and 'it' shall be read and construed as references to 'his' and 'him' or 'her' as applicable.

- 1.2.5 References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Deed.
- 1.2.6 Clause headings are for ease of reference only and shall not affect the construction of this Deed.
- 1.2.7 If the Lender reasonably considers that an amount paid by the Chargor under this Deed or by the Borrower is capable of being avoided or otherwise set aside on the bankruptcy, liquidation or administration of the Chargor or the Borrower, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.3 Third party rights

Only a Receiver has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this document take effect as a deed notwithstanding the fact that the Lender may only execute this document under hand.

2. COVENANT TO PAY

2.1 Covenant to pay

The Chargor shall pay and discharge each of the Secured Liabilities when the same fall due for payment.

2.2 Further advances

This Deed is made to secure any further advances or other facilities but it does not create any obligation on the Lender to make any further advances or make other facilities available.

2.3 Default interest

2.3.1 Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate that is two per cent above the Interest Rate from time to time.

2.3.2 Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender considers are appropriate.

3. NATURE OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 as security for the discharge of the Secured Liabilities.

3.2 Trust

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

3.2.1 hold it on trust for the Lender as security for the payment and discharge of the Secured Liabilities; and

- 3.2.2 take such steps as the Lender may require to remove the impediment to assignment or charging it.

3.3 **Ranking**

The Chargor consents to the Lender and HSBC Bank plc entering into priority, intercreditor or other similar arrangements (to which the Chargor shall not be party) to regulate the ranking of the security granted by the Chargor under this Deed and any Parallel Security Document.

4. **THE CHARGE**

The Chargor charges to the Lender by way of first fixed charge all of its rights in and to the shares referred to in the Schedule (*Shares*) together with all dividends, distributions and other income paid or payable and all rights, monies or property accruing or offered at any time in relation to such assets whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

5. **REPRESENTATIONS**

5.1 **General**

The Chargor makes the representations and warranties set out in this Clause 5 (*Representations*) to the Lender on the date of this Deed and on each day the Secured Liabilities are outstanding.

5.2 **Status**

5.2.1 If the Chargor is a company it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

5.2.2 It and each of its subsidiaries have the power to own their assets and carry on their respective businesses as they are being conducted.

5.3 **Binding obligations**

5.3.1 The Chargor's obligations in this Deed are legal, valid, binding and enforceable obligations.

5.3.2 The Security Interests which this Deed purports to create are valid and effective and are not liable to be avoided or otherwise set aside on the Chargor's death, bankruptcy, liquidation or administration.

5.4 **Non-conflict with other obligations**

The entry into and performance by the Chargor of its obligations under this Deed and the granting of the Security do not and will not conflict with:

5.4.1 any law or regulation applicable to it;

5.4.2 (if the Chargor is not an individual) its constitutional documents; or

5.4.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

5.5 **Power and authority**

5.5.1 The Chargor has the power to enter into, perform and deliver, and have taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the grant of the Security.

- 5.5.2 No limit on the Chargor's powers will be exceeded as a result of the grant of the Security.
- 5.5.3 The Chargor has not received any warning notice or restriction notice from a company listed in Schedule 1 under Part 21A of the Companies Act 2006.

5.6 Validity and admissibility in evidence

- 5.6.1 All Authorisations required or desirable to enable it lawfully to enter into, and comply with its obligations under this Deed and to grant the Security have been obtained or effected and are in full force and effect.
- 5.6.2 All Authorisations necessary for the conduct of its business, trade and ordinary activities have been obtained or effected and are in full force and effect.

5.7 Solvency

As at the date of this Deed:

- 5.7.1 where the Chargor is a company or limited liability partnership, it is able to meet its debts as they fall due and is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction; or
- 5.7.2 where the Chargor is an individual, they are not deemed either unable to pay their debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction; or
- 5.7.3 where the Chargor is a partnership, none of the foregoing (or any analogous provision in any relevant jurisdiction) applies to any of its partners.

5.8 Title and ranking

- 5.8.1 No Security Interest exists over the Security Assets other than pursuant to a Parallel Security Document as permitted by this Deed.
- 5.8.2 The Chargor has a good and marketable title to and is the sole legal and beneficial owner of the Shares, which are fully paid.
- 5.8.3 The Security has or will have first ranking priority and it is not subject to any prior ranking or pari passu ranking Security Interest other than pursuant to a Parallel Security Document.
- 5.8.4 The Chargor has not entered into any agreement or option to dispose of the Shares other than as is contained in this Deed.
- 5.8.5 The Shares (save for the shares in Ariyan Limited) constitute all of the issued share capital of World Credit Limited, Mornington Limited and Mornington Investments Limited respectively.
- 5.8.6 The Shares in Ariyan Limited constitute 80% of all the issued share capital of Ariyan Limited

5.9 Centre of main interest and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**"), the Chargor's "*centre of main interest*" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and the Chargor has no "*establishment*" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

6. GENERAL UNDERTAKINGS

6.1 Negative pledge

The Chargor shall not:

- 6.1.1 create or permit to subsist any Security Interest (other than a Security Interest created under any Parallel Security Document) over the Security Assets without the consent of the Lender; or
- 6.1.2 make any disposal of the Shares unless the Lender consents.

6.2 Deposit of certificates and transfers

6.2.1 The Chargor must ensure that the following documents are deposited with the Lender:

- (a) all stock and share certificates and documents of title relating to the Shares;
- (b) transfers of the Shares duly completed in favour of the Lender or otherwise as the Lender may direct; and
- (c) any other documents which the Lender may from time to time require for perfecting title to the Shares (duly executed by or signed on behalf of the registered holder) or for vesting or enabling the Lender to vest those Shares in itself, its nominees or in any purchaser.

The Chargor shall be deemed to have complied with this Clause if it has complied with the equivalent clause of any Parallel Security Document relating to the Shares.

6.2.2 The Chargor must execute such documents, pass such resolutions or take such other action as is necessary to protect the Lender's title to the Shares.

6.2.3 The Chargor must ensure that all or any of the Shares are transferred into the name of the Lender, its nominee or agent on request.

6.3 No share issues

The Chargor shall (to the extent within its power) ensure that without the Lender's prior consent, no company whose share capital includes or comprises the Shares will:

- 6.3.1 issue or allot any shares or other securities or enter into or permit any agreement or other arrangement to make, or entitle any person to call for, an issue or allotment of that company's shares or other securities;
- 6.3.2 in any way modify the rights attached to any of the shares in its issued share capital;
- 6.3.3 increase, consolidate, sub-divide or reduce its share capital;
- 6.3.4 alter its articles of association;
- 6.3.5 purchase its own shares or reduce its share capital; or
- 6.3.6 take any step to place itself in liquidation or administration or pass any resolution to wind itself up.

6.4 Calls

The Chargor shall ensure all calls, instalments or other payments which may be made or become due in respect of the Shares are punctually met as and when the same become due from time to time.

6.5 Persons with significant control

6.5.1 The Chargor shall respond promptly (and in any event within the time required by law) to any request for information or notice served on it by a company listed in Schedule 1 under or pursuant to Part 21A of the Companies Act 2006.

6.5.2 The Chargor shall promptly upon receipt provide to the Lender a copy of any warning notice or restriction notice served on it in respect of the Shares under Part 21A of the Companies Act 2006.

7. FURTHER ASSURANCE

The Chargor shall at its own expense ensure any documents are executed and any acts and things are done which the Lender may reasonably require from time to time for:

7.1 giving effect to, perfecting or protecting the Security;

7.2 facilitating the realisation of the Shares;

7.3 facilitating the exercise of all powers, authorities and discretions vested by this Deed in the Lender or in any Receiver; or

7.4 perfecting any Security over any Shares acquired by it after the date of this Deed.

8. ENFORCEMENT

8.1 Remedying defaults

The Lender or a Receiver may (but is not obliged to) take any action to remedy a failure by the Chargor to observe and perform the provisions of this Deed at the Chargor's cost.

8.2 Timing of enforcement

8.2.1 The Secured Liabilities are deemed to have become due on the date of this Deed.

8.2.2 The Security shall become enforceable on the earlier of:

(a) the date the Lender demands repayment of any of the Secured Liabilities;

(b) the date the Chargor breaches a provision of this Deed or any document evidencing the facilities to which the Secured Liabilities relate;

(c) the date the Borrower breaches a provision of any document evidencing the facilities to which the Secured Liabilities relate;

(d) any Security Interest created pursuant to a Parallel Security Document becoming enforceable; and

(e) the Chargor's request.

8.2.3 Neither section 93(1) nor section 103 of the Law of Property Act 1925 shall apply to this Deed.

8.3 Powers of the Lender

8.3.1 At any time after the Security becomes enforceable or if requested by the Chargor, the Lender may without further notice (unless required by law):-

- (a) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) appoint or apply for the appointment of any person who is appropriately qualified as the Chargor's administrator; and/or
- (c) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (d) exercise (in the Chargor's name) any voting rights and any powers or rights which may be exercised by the Chargor in relation to the Shares.

8.3.2 The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to Security which (as created) was a floating charge solely by reason of a moratorium being obtained under Schedule A1 to the Insolvency Act 1986 or anything done with a view to obtaining such a moratorium.

8.4 No liability

Neither the Lender nor any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Shares for any loss on realisation or for any other default or omission. No exercise of the right in Clause 8.1 (*Remedying defaults*) shall render the Lender or a Receiver a mortgagee in possession. Neither the Lender nor the Receiver is under any obligation to exercise any power or discretion enjoyed by it in relation to the Shares.

9. RECEIVER

9.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

9.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Shares and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

9.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender) and section 109(6) of the Law of Property Act 1925 shall not apply.

9.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

9.5 **Chargor's agent**

Any Receiver shall be the Chargor's agent and the Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. **POWERS OF RECEIVER**

10.1 **General powers**

10.1.1 Any Receiver shall have:

- (a) all the powers which are conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act but without the restrictions contained in sections 103 or 109(1) of that Act;
- (b) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (c) all powers which are conferred by any other law conferring power on receivers.

10.1.2 To the extent that the Shares constitute "financial collateral" and this Deed and the Chargor's obligations under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

10.1.3 For the purpose of Clause 10.1.2 the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

10.2 **Additional powers**

In addition to the powers referred to in Clause 10.1 (*General powers*), a Receiver shall have the following powers:

- 10.2.1 to take possession of, collect and get in all or any part of the Shares and/or income in respect of which he was appointed;
- 10.2.2 to manage the Security Assets as he thinks fit;
- 10.2.3 to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 10.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Shares in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation:
 - (a) the consideration for any such transaction may consist of cash, deeds or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (b) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;

- 10.2.5 to take any such proceedings in the Chargor's name as he shall think fit in respect of the Shares and/or income in respect of which he was appointed (including proceedings for recovery of dividends or other monies in arrears at the date of his appointment);
- 10.2.6 to carry out any sale, or other disposal of all or any part of the Shares by conveying, transferring or assigning the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in its name and so as to bind it;
- 10.2.7 to exercise any voting rights attached to any of the Shares;
- 10.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 10.2.9 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm); and
- 10.2.10 to:
 - (a) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of the Shares;
 - (b) exercise in relation to the Shares all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Shares; and
 - (c) use the Chargor's name for any of the above purposes.

10.3 Limitation

- 10.3.1 The Lender may in the instrument by which a Receiver is appointed limit the powers of the Receiver.
- 10.3.2 The Receiver shall be under no duty to the Chargor to exercise any power he may have and shall not incur any liability to the Chargor either by virtue of the exercise of such powers or by virtue of a failure to exercise such powers.

11. APPROPRIATION OF RECEIPTS

11.1 Application

- 11.1.1 Subject to Clause 11.2 (*Suspense account*), any monies received by the Lender in respect of the Security (subject to the payment of any claims having priority to the Security, but in substitution for section 109(8) of the Law of Property Act 1925) shall be applied in the following order of priority:
 - (a) in discharging the remuneration of any Receiver and all costs, charges and expenses of and incidental to his or her appointment;
 - (b) in or towards payment or discharge of the Secured Liabilities; and
 - (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 11.1.2 The Lender may apply sums received towards the payment or discharge of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner as it thinks fit. The Lender may override any appropriation made by the Chargor.

11.2 Suspense account

Any monies received by the Lender or any Receiver may be placed in an interest bearing suspense or securities realised account and kept there for so long as the Lender considers prudent.

12. SET-OFF

12.1 The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid or any contingent obligation from the Chargor against any obligation (whether or not matured) owed by the Lender or any of its Affiliates to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

12.2 If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

13. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange.

14. NEW ACCOUNT

If the Lender receives or is deemed to be affected by notice (whether actual or constructive) of any subsequent Security Interest affecting some or all of the Shares or their proceeds of sale, then the Lender may open a new account for the Chargor. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, the notice. As from that time, any payment made to the Lender for the Chargor's account shall be credited (or be treated as having been credited) to the new account and shall not operate to reduce the amount for which the Security applies.

15. CUSTODY

The Lender shall be entitled to provide for the safe custody by third parties of all documents deposited with it in connection with the Security Assets and shall not be responsible for any loss or damage to such documents unless such loss or damage occurs as a result of the wilful default or gross negligence of the Lender.

16. DELEGATION AND APPOINTMENT OF ATTORNEYS

16.1 Delegation

16.1.1 The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable under this Deed. A delegation may be made in any manner (including by power of attorney) in and on any terms (including power to sub-delegate) which the Lender thinks fit.

16.1.2 The Lender shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates.

16.2 Attorneys

16.2.1 By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under Clause 16.1 (*Delegation*) separately to be its attorney on its behalf, in its name:

- (a) to execute and do any documents, acts and things which it is required to execute and do under this Deed; and

- (b) to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Deed or by law on the Lender or any Receiver.

16.2.2 The Chargor ratifies and confirms anything which any of its attorneys does in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 16.2 (*Attorneys*).

17. REDEMPTION OF PRIOR SECURITY INTERESTS

17.1 Redemption

The Lender may at any time redeem, or procure the transfer to it of, any prior Security Interest over any Security Assets at the Chargor's cost.

17.2 Costs of redemption

All principal monies, interest, costs, charges and expenses incurred in and incidental to any redemption or transfer under Clause 17.1 (*Redemption*) shall be paid by the Chargor on demand, in each case together with interest calculated and in the manner referred to in Clause 21 (*Indemnities*).

18. RELEASES

18.1 Releases conditional

18.1.1 Any release, settlement, discharge, re-assignment or arrangement in respect of the Security (in this Clause 18 (*Releases*), a **release**) made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.

18.1.2 If any avoidance, reduction, or clawback occurs or any order is made as referred to in Clause 18.1 (*Releases conditional*), then the release shall have no effect and shall not prejudice the Lender's right to enforce the Security in respect of the Secured Liabilities. As between the Chargor and the Lender, the Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

18.2 Retention

18.2.1 If and for so long as any assurance, security or payment as is mentioned in Clause 18.1 (*Releases conditional*) remains in the reasonable opinion of the Lender susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of the Security and other rights under this Deed as security for the Secured Liabilities after they have been paid and discharged in full.

18.2.2 If, at any time while all or part of the Lender's rights under this Deed are so retained:

- (a) an application is made to a competent court for a winding-up order to be made in respect of the Chargor;
- (b) steps are taken to wind the Chargor up;
- (c) an application is made to a competent court for an administration order to be made in respect of the Chargor;
- (d) a notice of intention to appoint an administrator to the Chargor is filed at court;
or

(e) the appointment of an administrator to the Chargor takes effect,

then the Lender may continue to retain all or part of its rights under this Deed for any further period as the Lender may determine in its absolute discretion.

19. CONTINUING SECURITY

19.1 Continuing security

The Security is continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

19.1.1 intermediate payment or discharge of the whole or part of the Secured Liabilities;

19.1.2 the Chargor's death, bankruptcy, liquidation or other incapacity or any change in its constitution, name or style;

19.1.3 any change in the Lender's constitution, name or style, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or

19.1.4 any other event, matter or thing.

19.2 Additional to other rights

The Security is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security Interest or other right which may be or have been created (by the Chargor or otherwise) in favour of the Lender. Accordingly, the Chargor's liability under this Deed shall not be prejudiced or affected by, and this Deed may be enforced notwithstanding:

19.2.1 the existence or invalidity of all or any of those rights; or

19.2.2 at any time, the Lender exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

20. THIRD PARTY PROTECTION

No purchaser, mortgagee or other person dealing with the Lender or a Receiver shall be concerned:

20.1 to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged;

20.2 whether the power which the Lender or Receiver is purporting to exercise has become exercisable; or

20.3 to see to the application of any money paid to the Lender or to a Receiver.

21. INDEMNITIES

The Chargor agrees to fully indemnify the Lender and any Receiver (and in the case of legal costs and expenses on a solicitor and own client basis) on demand against all liabilities, losses, claims, actions, damages, costs and expenses incurred by, made or brought against the Lender or Receiver (or any manager or agent appointed by the Lender or Receiver):

21.1 as a result of the Chargor's failure to perform any of its obligations under this Deed;

- 21.2 arising with the vesting of the Shares in the Lender or the re-vesting of the Shares in the Chargor on redemption of the Security;
- 21.3 in the exercise (or purported exercise) of any of the powers or other rights conferred by this Deed;
- 21.4 in respect of any costs, charges or expenses incurred in connection with Clause 13 (*Currency Conversion*);
- 21.5 in respect of the redemption of any prior Security Interest over the Shares under Clause 17 (*Redemption of Prior Security Interests*);
- 21.6 in respect of any other matter or thing done or omitted relating to the Shares,

together in each case with interest at the Interest Rate calculated on a daily basis from the date it is incurred or becomes payable to the Lender or the Receiver until the date of payment, whether before or after any judgment.

22. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of the Secured Liabilities is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

23. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. REMEDIES AND WAIVERS

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

25. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Chargor and the Lender agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

26. TRANSFER AND CONFIDENTIALITY

26.1 Transfer

26.1.1 The Lender may assign and/or transfer its rights and obligations under this Deed.

26.1.2 The Chargor shall not assign any of its rights or transfer any of its obligations under this Deed.

26.2 Confidentiality

The Lender may disclose to:-

- 26.2.1 any transferee or potential transferee;
 - 26.2.2 any assignee or potential assignee;
 - 26.2.3 any person with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to or including the Liabilities;
 - 26.2.4 any ratings agency;
 - 26.2.5 any of the officers, directors, employees, professional advisers, auditors, partners and representatives of the persons referred to in Clauses 26.2.1 to 26.2.4;
 - 26.2.6 any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives;
 - 26.2.7 any person to whom information is required or requested to be disclosed by any court of a competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
 - 26.2.8 any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; and
 - 26.2.9 any insurance company or underwriters in relation to the insurance of the Properties,
- such confidential information as the Lender shall consider appropriate.

27. MANAGEMENT TIME

The Lender reserves the right to charge for its management time or other resources (which will be calculated on the basis of such reasonable daily or hourly rates as the Lender may notify to the Chargor from time to time).

28. COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party may enter into this Deed by executing a counterpart.

29. NOTICES

29.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, must be made by letter.

29.2 Addresses

The Lender may deliver any communication, document or notice to the Chargor relating to this Deed to its registered office, to any address to which a notice under any facility relating to the Secured Liabilities might be sent or any additional address the Chargor may notify to the Lender by not less than five business days' notice.

29.3 Delivery

29.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant

address or five business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.

- 29.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

30. PARALLEL SECURITY DOCUMENTS

The Chargor may at any time enter into a Parallel Security Document. Entry into and performance of the terms of a Parallel Security Document shall not breach any term of this Deed.

31. GOVERNING LAW

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

32. ENFORCEMENT

32.1 Jurisdiction

- 32.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including disputes regarding the existence, validity or termination of this Deed, the Security Interests intended to be created by it or any non-contractual obligations arising out of or in connection with it) (a "**Dispute**").
- 32.1.2 The Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary.
- 32.1.3 This Clause 32.1 is for the benefit of the Lender only. The Lender may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof the Chargor has executed this Deed as a deed the year and date appearing on the first page of it.

SCHEDULE 1**THE SHARES**

Number of Shares	Class of Shares	Company Name and Registered Number	Company Jurisdiction of Incorporation
76	Ordinary Shares of £1.00 each	World Credit Limited (registered number: 04135635)	England & Wales
100	Ordinary Shares of £1.00 each	Mornington Limited (registered number: 04485163)	England & Wales

EXECUTION PAGE

Executed as a Deed by

)
)

F & A Hotels Limited

acting by a
director

)
)



Director

Alim Sanmurti
(name of director)

In the presence of:

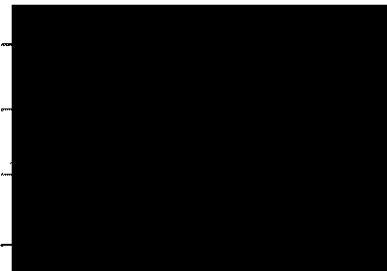
Signature of Witness



Print full name

RACHNA KUMAR

Address



Occupation

THE LENDER

)
)

SIGNED for and on behalf of

HSBC UK BANK PLC

Communications to the Lender are to be delivered to:

Address:

For the attention of: