



**Registration of a Charge**

Company name: **HOTEL PROPERTY FUND (SYNDICATE 2) LIMITED**  
Company number: **SC292735**



X9CEQ5GG

Received for Electronic Filing: **28/08/2020**

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**Details of Charge**

Date of creation: **26/08/2020**  
Charge code: **SC29 2735 0004**  
Persons entitled: **HERMETIC TRUST (1975) LTD. AS SECURITY TRUSTEE**  
Brief description: **STANDARD SECURITY OVER ALL AND WHOLE THE SUBJECTS KNOWN AS AND FORMING LEONARDO INN HOTEL, GLASGOW WEST END, 4 SHELLEY ROAD, GLASGOW REGISTERED IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NUMBER GLA138319.**  
**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:

**SEB GALASTRO**



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

Company number: 292735

Charge code: SC29 2735 0004

The Registrar of Companies for Scotland hereby certifies that a charge dated 26th August 2020 and created by HOTEL PROPERTY FUND (SYNDICATE 2) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th August 2020 .

Given at Companies House, Edinburgh on 1st September 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

**STANDARD SECURITY**

by

**HOTEL PROPERTY FUND (SYNDICATE 2) LIMITED**

in favour of

**HERMETIC TRUST (1975) LTD**  
(as Security Trustee)

**Subjects: Leonardo Inn Hotel Glasgow West End, 4 Shelley Road, Glasgow**



**DLA PIPER**

**WE HEREBY CERTIFY THIS TO BE A TRUE COPY  
OF THE ORIGINAL**

DATE 24 AUGUST 2020

SIGNED S. GILKINSON

DLA PIPER SCOTLAND LLP

SEB GALASTRO

## STANDARD SECURITY

BY:

- (1) **HOTEL PROPERTY FUND (SYNDICATE 2) LIMITED**, incorporated under the Companies Acts with company number SC292735) and having its Registered Office at Leonardo Hotel Edinburgh City Centre, 1 Morrison Street Link, Edinburgh EH3 8DN (the "Chargor" which expression shall include the successors in title and assignees of the Chargor);

## IN FAVOUR OF

- (2) **HERMETIC TRUST (1975) LTD** incorporated in Israel (registered number 510705197) whose registered office is at 30 Six Days Road, Bnei Brak, Israel as agent and security trustee for the Secured Parties (as defined below), and its successor(s) as such Security Trustee (the "Security Trustee").

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Standard Security unless the context requires otherwise:

"**Bond**" means Bonds (Series D), each of which is in accordance with the Deed of Trust and Series D Bond certificate, which will be issued from time to time by Fattal Properties (Europe) Ltd. at its sole discretion, at nominal value as from time to time in accordance with and subject to the Deed of Trust and which have not been fully redeemed or expired or cancelled;

"**Bond Documents**" means the Bond, the Shelf Offering Report and the Guarantee;

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

"**Deed of Trust**" means the deed of trust between Fattal Properties (Europe) Ltd. and the Security Trustee dated on or around the date of this Standard Security;

"**Delegate**" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Trustee;

"**Event of Default**" means the occurrence of any event which under the Bond Documents entitles the Security Trustee to require immediate repayment of the Secured Obligations and/or to enforce the securities granted to the Security Trustee in this regard (including, *inter alia*, this Standard Security);

"**Guarantee**" means the group guarantee entered into by each of the Chargor, Hotel Property Fund (Syndicate 1) Limited (company number SC260844) and Lauriston Hotels Limited (company number SC236846) in favour of the Security Trustee and dated on or around the date of this Standard Security;

"**Lease**" means the lease between the Chargor and Leonardo Portland Operation Limited dated 15 December 2017 as subsequently supplemented, amended and / or varied;

**"Property"** means ALL and WHOLE the subjects known as and forming Leonardo Inn Hotel Glasgow West End, 4 Shelley Road, Glasgow G12 0ZD being the subjects registered in the Land Register of Scotland under Title Number GLA138319;

**"Secured Obligations"** 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) owing to the Security Trustee under the Bond Documents, and all or any monies, liabilities and obligations covenanted to be paid under this Standard Security;

**"Secured Parties"** means the Series D bond holders of Fattal Properties (Europe) Ltd and the Security Trustee;

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

**"Security Period"** means the period beginning on the date of this Standard Security and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full;

**"Shelf Offering Report"** means a shelf offering report(s) to be published in accordance with the Shelf prospectus, subject to the provisions of Section 23A(f) of the Securities Law, in accordance to which all the special details for the offering of the Bonds (Series D) shall be completed; and

**"Standard Conditions"** means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 as amended and any lawful variation thereof operative for the time being.

## 1.2 Interpretation

In this Standard Security unless the context requires otherwise:

- 1.2.1 words importing the singular shall include the plural and *vice versa*;
- 1.2.2 references to this Standard Security or any other document shall be constituted as references to this Standard Security or such other document as amended, varied, restated, supplemented or novated from time to time;
- 1.2.3 references to any statute or statutory provision (including any subordinate legislation) shall include any statute or statutory provision for the time being in force which amends, extends, consolidates or replaces the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision;
- 1.2.4 references to a "person" shall include any individual, firm, company, corporation, body, trust or foundation, or any association, partnership or unincorporated body (whether or not having separate legal personality);
- 1.2.5 any reference to the Security Trustee includes its permitted successors, transferees and assignees;
- 1.2.6 Each undertaking of the Chargor contained in this Standard Security;

1.2.6.1 must be complied with at all times during the Security Period; and

1.2.6.2 is given by the Chargor for the benefit of the Security Trustee and each other Secured Party; and

1.2.7 any reference to an Event of Default which is "continuing" shall mean an Event of Default which has not been remedied by the Chargor.

### **1.3 Headings**

The headings in this Standard Security are included for convenience only and shall be ignored in construing this Standard Security.

### **1.4 Third party rights**

Save as expressly provided to the contrary in this Standard Security, a person who is not a party to this Standard Security has no right under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or enjoy the benefit of any term of this Standard Security.

## **2 UNDERTAKING FOR PAYMENT**

### **2.1 Undertaking to pay**

The Chargor undertakes with the Security Trustee that it will:

2.1.1 pay and discharge each and all of the Secured Obligations when they fall due for payment in accordance with the Bond Documents; and

2.1.2 indemnify and keep each Secured Party indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any undertaking or other obligation of the Chargor to that Secured Party.

### **2.2 Survival of obligations**

The payment obligations of the Chargor under the Bond Documents shall survive the enforcement of the security over the whole or any part of the Property.

## **3 SECURITY**

### **3.1 Standard Security**

In security for the payment or discharge of the Secured Obligations the Chargor grants a standard security in favour of the Security Trustee over the Property.

### **3.2 General**

All the security created under this Standard Security is created in favour of the Security Trustee as continuing security for the payment and discharge of the Secured Obligations.

## **4 RESTRICTIONS ON DEALINGS**

### **4.1 Prohibition of other securities etc**

Except as expressly allowed under the Bond Documents or this Standard Security, and unless the Security Trustee otherwise agrees in writing, the Chargor shall not assign or create or permit any form of security, charge or encumbrance to arise over or otherwise deal with the Property or any part thereof until the expiry of the Security Period

#### **4.2 Disposals**

Except as expressly allowed under the Bond Documents or this Standard Security, and unless the Security Trustee otherwise agrees in writing, the Chargor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of the Property until the expiry of the Security Period.

### **5 STANDARD CONDITIONS**

The Standard Conditions shall apply and the Chargor agrees that the Standard Conditions shall be varied insofar as lawful to the effect that:

- 5.1 The Standard Conditions shall be varied insofar as lawful and applicable by the Bond Documents;
- 5.2 If there is any inconsistency between the terms of this Standard Security (including the said Standard Conditions) and the terms of the Bond Documents, the terms of the Bond Documents shall prevail to the extent of that inconsistency and where any of the Standard Conditions are more onerous than the equivalent terms of the Bond Documents then the Bond Documents shall prevail; and
- 5.3 For the purposes of Standard Condition 9, and in addition to the grounds specified therein, the Chargor shall be held in default (and the standard security created by this Standard Security shall also become immediately enforceable) upon an Event of Default which is continuing and at any time after this Standard Security has become enforceable the Security Trustee shall be entitled (but is not obliged) to exercise all and / or any rights and powers in relation to the Property conferred by this Standard Security and / or arising under statute, and for such purposes the Security Trustee may exercise any of its powers in such manner as the Security Trustee considers, taking into account its statutory duties, appropriate.

### **6 ENFORCEMENT**

If the Chargor defaults in the observance and performance of any obligation to the Security Trustee, the Security Trustee or its agents (without any of them becoming a heritable creditor in possession) may at any time (but shall not be obliged to) do such things as it considers necessary to remedy the default.

### **7 APPLICATION OF PROCEEDS**

#### **7.1 Application**

All monies received by the Security Trustee after this Standard Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Standard Security) be applied in the following order:

- 7.1.1 *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by the Security Trustee, any other Secured Party or Delegate in connection with this Standard Security or the Property;

7.1.2 *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 7.2; and

7.1.3 *thirdly*, in payment of any surplus to the Chargor or other person entitled to it.

## **7.2 Appropriation and suspense account**

7.2.1 Subject to clause 7.1, the Security Trustee shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.

7.2.2 Any such appropriation shall override any appropriation by the Chargor.

7.2.3 All monies received, recovered or realised by the Security Trustee under or in connection with this Standard Security may at the discretion of the Security Trustee be credited to a separate interest-bearing suspense account for so long as the Security Trustee determines (with interest accruing thereon at such rate (if any) as the Security Trustee may determine (acting reasonably) without the Security Trustee having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

## **8 DELEGATION**

The Security Trustee may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Standard Security upon any terms (including power to sub-delegate) which it may think fit. The Security Trustee shall not be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

## **9 PERFECTION OF SECURITY**

### **9.1 Further assurance**

The Chargor shall promptly after being requested to do so by the Security Trustee, do all acts and execute all documents as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require) for:

9.1.1 creating, perfecting or protecting the Security intended to be created by this Standard Security;

9.1.2 creating any fixed security or charge over any of the Property;

9.1.3 facilitating the exercise of any rights, powers and remedies exercisable by the Security Trustee, any other Secured Party or any Delegate in respect of the Property or provided by or pursuant to the Bond or by law; or

9.1.4 creating and perfecting Security in favour of the Security Trustee or the Secured Parties over the Property equivalent or similar to the Security intended to be created by or pursuant to this Standard Security.

This includes:

9.1.5 the re-execution of this Standard Security;

- 9.1.6 the execution of any standard security, pledge, charge, transfer, conveyance, assignment, assignation or assurance of or over any property, whether to the Security Trustee or to its nominee; and
- 9.1.7 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Trustee may think expedient.

## **10 POWER OF ATTORNEY**

### **10.1 Appointment**

The Chargor hereby irrevocably appoints the Security Trustee as its attorney on its behalf and in its name or otherwise, at such times and in such a manner as the attorney may think fit:

- 10.1.1 to do anything which the Chargor is obliged to do (but has not done) under this Standard Security including, without limitation, to execute further securities, transfers or assignations of and other instruments relating to, the Property; and
- 10.1.2 generally to exercise all or any of the rights, powers and discretions conferred on the Security Trustee in relation to the Property under this Standard Security.

### **10.2 Ratification**

The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever its attorney may do or purport to do in the exercise or purported exercise of the power of attorney given by the Chargor under this clause.

### **10.3 Exercise of power**

The appointment effected under clause 10.1 shall take effect immediately, but the powers conferred shall only become exercisable upon the occurrence of an Event of Default which is continuing.

## **11 CURRENCY CONVERSION**

All monies received or held by the Security Trustee under this Standard Security may be converted from their existing currency into such other currency as the Security Trustee considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations at such rate of exchange as the Security Trustee (acting reasonably) may from time to time consider appropriate.

## **12 MISCELLANEOUS**

### **12.1 Non compliance by Chargor**

If the Chargor fails to make any payment or fulfil any obligation due by it under or pursuant to this Standard Security, the Security Trustee shall be entitled to do so on its behalf and in its name (or in its own name as it considers expedient) and / or to take such action to remedy or mitigate the consequences of such failure as it considers expedient, and the amount of any such payment and / or the costs incurred in fulfilling such obligation or mitigating the consequences of such failure, shall be repayable by the Chargor on demand, together with

interest at 2% per annum over the rate otherwise payable under the Bond Documents from the date of demand until settlement and shall constitute Secured Obligations.

## **12.2 Trust provisions**

The covenants, undertakings, representations and warranties made by the Chargor under this Standard Security are made in favour of the Security Trustee as security trustee for the Secured Parties.

## **12.3 Expenses**

The Chargor shall promptly indemnify on demand the Security Trustee and every Delegate against any cost, loss or liability incurred by any of them as a result of:

- 12.3.1 the taking, holding, protection or enforcement of the Security constituted by this Standard Security;
- 12.3.2 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee and each Delegate by the Bond, this Standard Security or by law; or
- 12.3.3 any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in the Bond.

in each case together with interest at 2% per annum over the rate otherwise payable under the Bond Documents from the date of demand until settlement and shall constitute Secured Obligations.

## **13 NOTICES**

### **13.1 Notices and deemed receipt**

Any demand or notice to be given under this Standard Security shall be in writing signed by or on behalf of the party giving it and shall be served by delivering it personally or sending it by pre-paid recorded delivery or registered post to the address and for the attention of the relevant party set out in clause 13.2 (or as otherwise notified by that party thereunder). Any such notice shall be deemed to have been received:

- 13.1.1 if delivered personally, at the time of delivery; and
- 13.1.2 in the case of pre-paid recorded delivery or registered post, 24 hours from the date of posting;

provided that if deemed receipt occurs before 10.00am on a Business Day the notice shall be deemed to have been received at 10.00am on that day and if deemed receipt occurs after 5.00pm on a Business Day, or on a day which is not a Business Day, the notice shall be deemed to have been received at 10.00am on the next Business Day:

### **13.2 Addresses for notices**

The addresses of the parties for the purposes of this clause 13 are:

**The Security Trustee**

Address: Hermetic Trust (1975) Ltd.

For the attention of: CC: Mrs. , Joint CEO

**The Chargor**

Address: Hotel Property Fund (Syndicate 2) Limited

Leonardo Hotel Edinburgh City Centre

1 Morrison Street Link, Edinburgh EH3 8DN

For the attention of: The Directors

or such other address in the United Kingdom as may be notified in writing from time to time by the relevant party to the other.

**13.3 No electronic service**

For the avoidance of doubt no demand or notice given under this Standard Security shall be validly given if sent by e-mail.

**14 CALCULATIONS AND CERTIFICATES**

Any certificate of or determination by a Secured Party or the Security Trustee specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

**15 PARTIAL INVALIDITY**

All the provisions of this Standard Security 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.

**16 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee (or any other Secured Party), any right or remedy under this Standard Security 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.

**17 AMENDMENTS AND WAIVERS**

Any provisions of this Standard Security may be amended only if the Security Trustee and the Creditor so agree in writing and any breach of this Standard Security may be waived before or

after it occurs only if the Security Trustee so agrees in writing. A waiver given or consent granted by the Security Trustee under this Standard Security will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

## **18 RELEASE**

### **18.1 Release**

Upon the expiry of the Security Period (but not otherwise) the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to discharge, release or re-assign (without recourse or warranty) the Property from the Security created by this Standard Security.

### **18.2 Reinstatement**

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Standard Security shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **18.3 Retention of Security**

If any payment or realisation in respect of the Secured Obligations is, in the Security Trustee's reasonable opinion, liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, the Security Trustee shall be entitled to retain this Standard Security undischarged until the expiry of the period during which it may be challenged on any such ground.

### **18.4 Avoidance of payments**

The Security Trustee's right to recover the Secured Obligations in full shall not be affected or prejudiced by any payment or realisation which is avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, or by any release or discharge given by the Security Trustee on the faith of any such payment or realisation.

## **19 LIABILITY OF THE SECURITY TRUSTEE**

The Security Trustee shall not in any circumstances be liable to the Chargor or any other person for any losses, damages, liabilities or expenses arising from or in connection with the application or enforcement of this Standard Security or any realisation, appropriation or application of the Lease, Property or rents receivable from the Property or from any act, default or omission of the Security Trustee, or his/her or its officers, employees or agents in relation to the Lease, Property or rents receivable from the Property or otherwise in connection with this Standard Security, except to the extent caused by the gross negligence or wilful default of the Security Trustee or its officers, employees or agents.

## **20 LAW AND JURISDICTION**

This Standard Security and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of Scotland and in so

far as not already subject thereto the parties irrevocably submit to the exclusive jurisdiction of the Scottish Courts.

## 21 CONSENT AND AUTHORISATION

The Chargor hereby consents to the registration of this Standard Security and of any certificate referred to in Clause 14 for preservation and execution.

## 22 WARRANDICE

The Chargor grants warrandice, but excepting therefrom the Lease.

**IN WITNESS WHEREOF:** these presents consisting of this and the preceding nine pages are executed as follows:-

Subscribed for and on behalf of **HOTEL  
PROPERTY FUND (SYNDICATE 2)  
LIMITED:**

at ROME (ITALY)  
(Place of signing)

on 11 AUGUST 2020  
(Date of signing)

by DANIEL ROGER  
(Print name – Director / Authorised Signatory)

[Signature]  
(Signature – Director / Authorised Signatory)

in the presence of this witness:

CLAUDIA BADULESCH  
~~CLAUDIA BADULESCH~~  
(Print name – Witness)

[Signature]  
(Signature – Witness)

~~FORNIA ADEL~~

ROME, ITALY  
(Address – Witness)