

MR01

Particulars of a charge

189856/13

IRIS Laserform

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

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

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

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

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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

☒ You **must** enclose a certified copy of the instrument with this form. This
must be scanned and placed on the public record



LD3 20/05/2014 #119
COMPANIES HOUSE

1 Company details

Company number 0 7 3 8 5 6 9 5 ✓
Company name in full BM Manchester Limited ✓
(the "Chargor")

2 For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by **

2 Charge creation date

Charge creation date d 1 d 6 m 0 m 5 y 2 y 0 y 1 y 4 ✓

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

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

Name Lloyds Bank PLC as security agent and security
trustee for the Finance Parties (as defined in the

Name accompanying instrument) ✓

Name

Name

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

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

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4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

All Intellectual Property which may at the date of the accompanying instrument or in the future exist.

All estates or interests in any freehold or leasehold property as at the date of the accompanying instrument or in the future owned by the Chargor and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property and all Related Rights.

Unless otherwise defined all terms have the meaning given to them in the accompanying instrument.

5

Fixed charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to Section 7

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

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Particulars of a charge

8

Trustee statement ①

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X Simmons & Simmons LLP X

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

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name Theodora James (12163-105)

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode EC2Y 9SS

Country

DX DX Box No 12 Chancery Lane London

Telephone 020 7628 2020



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7385695

Charge code 0738 5695 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th May 2014 and created by BM MANCHESTER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th May 2014.

Given at Companies House, Cardiff on 23rd May 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 16 May 2014

WE CERTIFY THAT THIS COPY INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.	
<i>Simmons & Simmons LLP</i>	
Signed (firm name)	
<i>TXXJ</i>	<i>19.5.14</i>
Initials of Signatory	Dated (DD/MM/YY)

Security Agreement

between

Yianis Docklands Hotels Limited,
 Hectagon Assets Limited;
 Hectagon Investments Limited;
 Octagon Overseas Limited;
 Blue Manchester Limited;
 Blue Liverpool Limited;
 Octagon Pier Limited,
 Canary Riverside Estate Management Limited,
 Yianis FSCR Limited,
 Yianis Hotels Limited;
 WIQ Hotel Corporation Limited;
 West India Quay (Eastern) Limited;
 West India Quay Development Company (Eastern) Limited,
 No 1 West India Quay (Residential) Limited;
 BM Manchester Limited;
 BM Liverpool Limited;
 No 1 West India Quay (Commercial) Limited;
 as Chargors

and

Lloyds Bank PLC
 as Security Agent

relating to

£378,418,896 property investment facilities in relation to the properties
 listed in schedule 1 (*Mortgaged Property*)

Simmons & Simmons

Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS United Kingdom
 T +44 20 7628 2020 F +44 20 7628 2070 DX Box No 12

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THIS DEED is dated 16 May 2014

and made

BETWEEN:

- (1) **YIANIS DOCKLANDS HOTELS LIMITED**, registered in England and Wales with company number 05809378 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
HECTAGON ASSETS LIMITED, registered in England and Wales with company number 08849023 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
HECTAGON INVESTMENTS LIMITED, registered in England and Wales with company number 08849202 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
OCTAGON OVERSEAS LIMITED, registered in England and Wales with company number 04929701 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
BLUE MANCHESTER LIMITED, registered in England and Wales with company number 7408603 and having its registered office at 363 Goswell Road, London, EC1V 7JL,
BLUE LIVERPOOL LIMITED, registered in England and Wales with company number 7407365 and having its registered office at 363 Goswell Road, London, EC1V 7JL,
OCTAGON PIER LIMITED, registered in England and Wales with company number 03322249 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
CANARY RIVERSIDE ESTATE MANAGEMENT LIMITED, registered in England and Wales with company number 03769069 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
YIANIS FSCR LIMITED, registered in England and Wales with company number 05519934 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
YIANIS HOTELS LIMITED, registered in England and Wales with company number 05519834 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
WIQ HOTEL CORPORATION LIMITED, registered in England and Wales with company number 03433156 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
WEST INDIA QUAY (EASTERN) LIMITED, registered in England and Wales with company number 03413441 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
WEST INDIA QUAY DEVELOPMENT COMPANY (EASTERN) LIMITED, registered in England and Wales with company number 03290047 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
NO 1 WEST INDIA QUAY (RESIDENTIAL) LIMITED, registered in England and Wales with company number 04231601 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
BM MANCHESTER LIMITED, registered in England and Wales with company number 7385695 and having its registered office at 363 Goswell Road, London, EC1V 7JL,
BM LIVERPOOL LIMITED, registered in England and Wales with company number 7385698 and having its registered office at 363 Goswell Road, London, EC1V 7JL,
NO 1 WEST INDIA QUAY (COMMERCIAL) LIMITED, registered in England and Wales with company number 04254128 and having its registered office at 6th Floor, Charles House, 108-110 Finchley Road, London, NW3 5JJ,
(together and each and all of them the "Chargors"), and

06530365
Simons & Simons
LLP

- (2) **LLOYDS BANK PLC**, registered in England & Wales (registered number 2065) whose registered office is at 25 Gresham Street, London EC2V 7HN (the "Security Agent"), which expression includes its successors and assigns, as security agent and security trustee for the Finance Parties

BACKGROUND:

- (A) The Lender has agreed to make available to the Borrowers loan facilities in accordance with the terms of the Finance Documents
- (B) It is a condition precedent to that those loan facilities being made available that each Chargor enters into this Deed

IT IS AGREED as follows

1 Interpretation

1.1 Definitions

Terms defined in the Facilities Agreement have the same meaning when used in this Deed unless given a different meaning in this Deed, and in this Deed

"Assigned Contracts" means

- (A) each contract in respect of any disposal of any Security Asset,
- (B) each Lease Document,
- (C) any agreement with, or any appointment of, any Managing Agent;
- (D) each Hedging Agreement;
- (E) each Hotel Management Agreement; and
- (F) any other agreement to which each Chargor is a party and which the Security Agent and the relevant Chargor have designated as an Assigned Contract,

in each case including any guarantees or sureties entered into in respect of them

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

"Borrowers" means the entities listed in part 1 of schedule 1 of the Facilities Agreement

"Delegate" means any delegate, agent, attorney or co-trustee appointed under clause 15 (*Delegation*)

"Equipment" means all plant and machinery, fixtures, fittings, furniture, furnishings, equipment and chattels, including any manuals in relation to the same

"Facilities Agreement" means the facilities agreement dated on or about the date of this Agreement between, amongst others, the Borrowers as borrowers, the Guarantors as guarantors and, Lloyds Bank PLC as arranger, original lender, hedge counterparty, agent and security agent, as amended, restated, supplemented or novated from time to time

"Finance Document" has the meaning given in the Facilities Agreement

"Hedging Agreement" means any master agreement, confirmation, transaction, schedule or other agreement in agreed form entered into or to be entered into by any Borrower for the purpose of hedging interest payable under the Facilities Agreement

"Hotel Management Agreement" has the meaning given in the Facilities Agreement

"Intellectual Property" means the rights of an Obligor in respect of any patent, copyright, trade mark, trade name, service mark, invention, design, know-how, confidential information, domain names or any other kind of intellectual property whether registered or unregistered and any registration or application relating to any of the foregoing

"Investments" means the existing or future interest of each Chargor in

- (A) any securities or investments of any kind, including shares, stocks, debentures, bonds, units, depository receipts, notes, commercial paper, certificates of deposit or any form of loan or other capital of or in any legal entity,
- (B) any warrant, option or other right to subscribe for, purchase or otherwise acquire any such security or investment, and
- (C) without limitation to paragraph (A) above, all the Shares,

in each case, including any income, offer, right or benefit in respect of any such investment

"LPA" means the Law of Property Act 1925

"Mortgaged Property" means, in respect of each Chargor, the property listed alongside its name in schedule 1 (*Mortgaged Property*)

"Obligor" means each and all and any one or more of the Borrower and Guarantor

"Party" means a party to this Deed

"Receiver" means any one or more receiver, administrator, receiver and manager or administrative receiver appointed by the Security Agent under this Deed, whether sole, joint and/or several and including any substitute

"Related Assets" means

- (A) all dividends, interest and other moneys payable in respect of the Investments or Shares,
- (B) any right, money or property accruing or offered at any time in relation to the Investments or Shares by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise,
- (C) any right against any clearance system in relation to the Investments or Shares, and
- (D) any right under any custodian or other agreement in relation to the Investments or Shares

"Related Rights" means, in relation to any asset

- (A) the proceeds of sale of any part of that asset,
- (B) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (C) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset,
- (D) all monies and proceeds paid or payable in respect of that asset,
- (E) in relation to a property, each and every part of that property, including the land, cellars, eaves, buildings, structures, fixtures and fittings (including such trade fixtures and fittings, furnishings and Equipment in which the relevant Chargor has an interest) now or in the future on that property and all easements and other rights attaching to that property; and
- (F) in relation to a property, the benefit of any covenants or warranties in respect of that property or any moneys paid or payable in respect of those covenants or warranties,

including all rights against any trustee, nominee, fiduciary or clearing system

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under each Finance Document

"Secured Party" means a Finance Party, a Receiver or any Delegate

"Security Assets" means all of the assets of each Chargor which from time to time are, or are expressed to be, subject to the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated

"Shares" means in respect of each Chargor, the shares listed alongside its name in schedule 2 (*Shares*)

1 2 Construction

- (A) The provisions of clause 1 2 (*Construction*) of the Facilities Agreement shall apply, with any necessary amendments, in this Deed
- (B) Any reference in this Deed to a "Chargor", the "Security Agent", or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents (as relevant) and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facilities Agreement

1 3 Disposition of property

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1 4 Joint and several Chargors

Where two or more persons purport to create a charge over a Security Asset under this deed then

- (A) they (or such of them as have the joint interest in the relevant Security Asset) shall be deemed to have jointly mortgaged, charged and/or assigned, as appropriate, their joint interest in the relevant Security Asset;
- (B) each person shall be deemed to have mortgaged, charged and/or assigned, as appropriate, its individual interest (if any) in the relevant Security Asset, and
- (C) each person shall be deemed to have confirmed the charge granted by the others

1 5 Third party rights

- (A) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed
- (B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time
- (C) Any Receiver, Delegate, Finance Party or any officer, employee or agent of such Receiver, Delegate or Finance Party may, subject to this sub-clause and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it

1 6 Related Rights and Related Assets

A reference in this Deed to any Security Asset includes all Related Rights and Related Assets (in the case of Investments) in respect of that Security Asset and a reference in this Deed to any mortgage, charge or assignment of any Security Asset shall include all Related Rights and all Related Assets in respect of that Security Asset

1 7 Execution

It is intended that this document takes effect as a deed even though a Party may only execute it under hand

1 8 Benefit

The provisions of this Deed are for the benefit of the Security Agent as security agent and as security trustee for and on behalf of the Finance Parties

2. Covenant to pay

Each Chargor shall pay each of the Secured Liabilities when due or if they do not specify a time, on written demand by the Security Agent

3 Creation of Security

3.1 Security generally

All the Security created, or expressed to be created, under this Deed

- (A) is created in favour of the Security Agent,
- (B) is created over the present and future assets of each Chargor,
- (C) is security for the payment of all the Secured Liabilities; and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3 2 Land

Each Chargor charges

- (A) by way of a first legal mortgage all estates or interests in the Mortgaged Property and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that Mortgaged Property,
- (B) (to the extent that they are not the subject of a legal mortgage under clause 3 2(A)) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property, and
- (C) all Related Rights in respect of the above

3 3 Lease Documents and Rental Income

Each Chargor assigns absolutely (subject to the proviso for reassignment under clause 20 (*Release of Security*)) to the Security Agent all of its rights and interests in and to each Lease Document (including all Rental Income and any guarantee of Rental Income contained in or relating to any Lease Document)

3 4 Contracts

- (A) Each Chargor assigns absolutely (subject to the proviso for reassignment under clause 20 (*Release of Security*)) to the Security Agent all of its rights and interests under each Assigned Contract
- (B) To the extent that any such right described in clause 3 4(A) above is not capable of assignment, the assignment of that right purported to be effected by clause 3 4(A) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this sub-clause, that Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) If a Chargor assigns an agreement or document under this Deed (or charges it) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
 - (1) that Chargor must notify the Security Agent immediately,
 - (2) unless the Security Agent otherwise requires, that Chargor shall, and each other Chargor must ensure that that Chargor will, use its reasonable endeavours to obtain the consent as soon as practicable, and
 - (3) that Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

3 5 Intellectual Property

Each Chargor charges by way of first fixed charge all the Intellectual Property

3 6 Accounts

Each Chargor charges by way of a first fixed charge all of its rights in respect of each Account and any amount standing to the credit of each such Account and the debts represented by each such Account

3 7 Investments

Each Chargor charges by way of a first fixed charge all of its rights and interests in the Investments

3 8 Book debts etc.

Each Chargor assigns absolutely (subject to the proviso for reassignment under clause 20 (*Release of Security*)) to the Security Agent

- (A) all of its book and other debts,
- (B) all other moneys due and owing to it, and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (A) and (B) above

3 9 Insurances

- (A) Each Chargor assigns absolutely (subject to the proviso for reassignment under clause 20 (*Release of Security*)) to the Security Agent all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest and the proceeds payable under any such contract or policy of insurance
- (B) To the extent that any such right described in clause 3 9(A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (A) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which each Chargor may derive from that right or be awarded or entitled to in respect of that right

3 10 Equipment

Each Chargor charges by way of a first fixed charge all the fixed and moveable Equipment, its interest in any Equipment in its possession and the benefit of all related Authorisations, agreements and warranties

3 11 Authorisations

- (A) Each Chargor charges by way of first fixed charge the benefit of all Authorisations held now or in the future by it in relation to any Security Asset and/or the business of that Chargor
- (B) To the extent that they do not fall within any other part of this clause or are not effectively charged under clause 3 11(A) above, each Chargor assigns absolutely to the Security Agent all of its rights and interests under each Authorisation in relation to any Security Asset and/or the business of that Chargor
- (C) If a Chargor charges or assigns an Authorisation under this Deed and the charge or assignment breaches a term of that Authorisation because a third party's consent has not been obtained
 - (1) The relevant Chargor must promptly notify the Security Agent,
 - (2) unless the Security Agent otherwise requires, the relevant Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable, and
 - (3) the relevant Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

3 12 Goodwill

Each Chargor charges by way of first fixed charge all of its goodwill

3 13 Uncalled capital

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

3 14 Causes of action

Each Chargor assigns absolutely (subject to the proviso for reassignment under clause 20 (*Release of Security*)) to the Security Agent all of its rights in respect of all causes of

action and other rights and remedies in which it has an interest, including, without limitation, any VAT recoveries

3 15 Floating charge

- (A) Each Chargor charges by way of first floating charge all of its property, undertaking and assets, both present and future, not otherwise effectively mortgaged or charged under this Deed
- (B) The floating charge created by each Chargor pursuant to clause 3 15(A) above is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Agent may appoint an administrator to each Chargor pursuant to that paragraph
- (D) The Security Agent may convert the floating charge created by this Deed over all or any of the Security Assets into a fixed charge by written notice to each Chargor specifying the relevant Security Assets (either specifically or generally)
 - (1) while an Event of Default is continuing, and/or
 - (2) if those assets are in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
 - (1) a Chargor takes any step to create any Security (other than any Security permitted by the Finance Documents) in breach of clause 7 1 (*Security*) over any of the Security Assets not subject to a mortgage or fixed charge,
 - (2) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator in respect of a Chargor,
 - (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Security Assets (except where such steps are frivolous or vexatious and are discharged, stayed or dismissed within 21 days of commencement), or
 - (4) any other floating charge over any Security Asset is converted into a fixed charge,

the floating charge over the relevant Security Assets shall automatically and immediately be converted into a fixed charge

3 16 Reconversion to a Floating Charge

Any floating charge which was crystallised under clause 3 15 (*Floating charge*) may by notice in writing given at any time by the Security Agent to the relevant Chargor be reconverted into a floating charge in relation to the assets specified in such notice

3 17 Charge

To the extent that any Security Asset which is purported to be assigned by this Deed is not effectively assigned by this Deed, that Chargor charges by way of first fixed charge such Security Asset

4 Continuing Security

4 1 Continuing Security

The Security created, or expressed to be created, by this Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

4 2 Additional security

The Security created, or expressed to be created, by this Deed

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party, and
- (B) may be enforced against each Chargor without having recourse to any other rights of any Finance Party

4 3 Survival of obligations

The payment obligations of the Chargors under the Finance Documents shall survive the enforcement of the whole or any part of the Security Assets

5 Perfection

5 1 Land

In the case of each Chargor's Mortgaged Property, each Chargor or each Chargor's legal advisors shall

- (A) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed,
- (B) promptly submit to the Land Registry the duly completed form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction on the register of title to that freehold or leasehold property,

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated _____ in favour of Lloyds Bank PLC referred to in the Charges Register (or its conveyancer) "

- (C) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Security Assets, and
- (D) promptly pay all appropriate registration fees

5 2 Notices of charge or assignment

- (A) Each Chargor shall promptly serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed, on
 - (1) each bank or financial institution at which a Chargor maintains any Accounts, and
 - (2) each of its insurers
- (B) Each Chargor shall, promptly following a Material Default or an Event of Default which is continuing and upon request by the Security Agent, serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed, on
 - (1) each counterparty to an Assigned Contract (other than a Hotel Manager to the extent notices have already been served), or
 - (2) any tenant or counterparty under any Lease Document
- (C) Each Chargor shall use reasonable endeavours to ensure that each person on whom notice is served under paragraph (A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant schedule to this Deed
- (D) Entry into this Deed by each Chargor that is party to an Assigned Contract constitutes notice to it of the Security created or expressed to be created by this Deed over such Assigned Contract and each Chargor, by entering into this Deed, acknowledges receipt of such notice

6 Further assurance

- 6 1 Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))
 - (A) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law,
 - (B) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of each Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed, and/or
 - (C) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created or expressed to be created by this Deed.
- 6 2 Each Chargor shall take all such action as is reasonably available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be

conferred on the Security Agent or the Finance Parties by or pursuant to the Finance Documents

7 Restrictions on dealing

7.1 Security

Each Chargor shall not create or permit to subsist any Security over any Security Asset, other than any Security permitted by the Finance Documents

7.2 Disposals

No Chargor shall (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset except as permitted by the Finance Documents

8 Investments

8.1 Investments

Each Chargor, on behalf of itself only, represents and warrants to the Security Agent (for the benefit of each Finance Party) on the date of this Deed that:

- (A) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right,
- (B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of those Investments on creation or the enforcement of the Security created by or expressed to be created by this Deed to the extent permitted by law,
- (C) it is the sole legal and beneficial owner of the Investments,
- (D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion), and
- (E) the Investments are the entire issued share capital of the issuer of each of those Investments

8.2 Certificated Investments

Each Chargor shall, on the date of this Deed, to the extent applicable

- (A) immediately deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Investments and/or Related Assets; and
- (B) promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent (acting reasonably) in order to enable the transferee, while an Event of Default is continuing, to be registered as the owner or otherwise obtain a legal title to the Investments and/or Related Assets; this includes delivering executed share

transfers in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent so directs, with the transferee left blank

8.3 Changes to rights

Subject to the terms of the Facilities Agreement, each Chargor may not take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further shares being issued

8.4 Calls

- (A) Each Chargor shall in accordance with its obligations under the Investments pay all calls or other payments due and payable in respect of under the Investments
- (B) If any Chargor fails to comply with clause 8.4(A) after being requested to do so by the Security Agent, the Security Agent may pay the calls or other payments in respect of any Investment on behalf of the relevant Chargor
- (C) Each Chargor shall within three Business Days of written request reimburse the Security Agent for any payment made by the Security Agent under this clause, together with default interest charged thereon in accordance with clause 18.3

8.5 Voting rights before Event of Default

- (A) Subject to clause 8.6 (*Voting rights after Event of Default*), each Chargor may continue to exercise all voting rights, powers and other rights in respect of the Investments provided that no Chargor shall exercise such voting rights in any manner, or otherwise permit or agree to any
 - (1) variation of the rights attaching to or conferred by all or some of the Investments, which would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Deed,
 - (2) increase in the issued share capital of the issuer of such Investments, which would prejudice the value of, or the ability of the Security Agent to realise the Security created by this Deed
- (B) If the relevant Investments have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the relevant Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Agent (or that nominee) will execute any form of proxy or other document which the relevant Chargor may reasonably require for this purpose
- (C) Subject to clause 8.6 (*Voting rights after continuing Event of Default*), all dividends or other income or distributions paid or payable in relation to the Investments shall be paid to the relevant Chargor

8.6 Voting rights after Event of Default

- (A) Following the occurrence of an Event of Default for so long as it is continuing, the Security Agent or its nominee may exercise or refrain from exercising

- (1) any voting rights, and
- (2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investments, any person who is the holder of any Investment or otherwise,

in each case, in the name of each Chargor, the registered holder or otherwise and without any further consent or authority on the part of each Chargor and irrespective of any direction given by each Chargor

- (B) Following the occurrence of an Event of Default for so long as it is continuing and to the extent that the Investments remain registered in the name of any Chargor, the relevant Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments in any way it sees fit
- (C) Following the occurrence of an Event of Default, each Chargor shall indemnify the Security Agent against any loss or liability properly incurred by the Security Agent as a direct consequence of the Security Agent acting in respect of Investments on the direction of the relevant Chargor

8.7 Clearance systems

- (A) Each Chargor shall, if so requested by the Security Agent
 - (1) instruct any clearance system to transfer any Investments held by it for the relevant Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system, and
 - (2) take whatever action the Security Agent may request for the dematerialisation or rematerialisation of any Investments held in a clearance system
- (B) Without prejudice to paragraph (A) the Security Agent may, at the expense of each Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary

8.8 Custodian arrangements

Each Chargor shall

- (A) promptly give notice of this Deed to any custodian of any Investments in any form which the Security Agent may reasonably require, and
- (B) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require

9 Intellectual property

9.1 Representations

Each Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that

- (A) all its Intellectual Property which is material to its business is identified in schedule 3 (*Intellectual Property*) opposite its name,
- (B) so far as it is aware, it is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all Intellectual Property which is material to its business and which is required by it in order to carry on its business as it is being conducted; and
- (C) it has taken all formal or procedural actions (including payment of fees) required to maintain all the Intellectual Property

9.2 **Preservation**

- (A) Each Chargor shall
 - (1) preserve and maintain the subsistence of the Intellectual Property it owns which is necessary for its business,
 - (2) prevent any infringement in any material respect (as determined by the Security Agent acting reasonably) of its Intellectual Property,
 - (3) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property,
 - (4) not use (or licence or permit any third party to use) the Intellectual Property in a way or take any step or omit to take any step in respect of that Intellectual Property which is likely to materially adversely affect (as determined by the Security Agent acting reasonably) the existence of or value of or its rights to use the Intellectual Property, and
 - (5) not (other than where the Intellectual Property has become redundant) discontinue the use of its Intellectual Property
- (B) Each Chargor shall promptly, if requested to do so by the Security Agent, sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed

10 **Representations**

10.1 Each Chargor represents and warrants to the Security Agent (for the benefit of each Finance Party) on the date of this Deed that

- (A) subject to the Legal Reservations, this Deed
 - (1) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have,
 - (2) is not liable to be avoided or set aside on its liquidation, administration or otherwise, and

- (B) no Security Asset is subject to any prior or pari passu ranking Security except as permitted under the Facilities Agreement,
- (C) in relation to all assets other than the Properties, it is the absolute legal and beneficial owner of all the assets owned by it over which this Deed purports to create any Security,
- (D) in relation to the Core Properties of which it is stated to be the registered proprietor in schedule 1 (*Mortgaged Property*), it is the unencumbered legal and beneficial owner of that Property, free of any trusts (save for the trust arrangements in respect of the Marriott Canary Wharf) or sale and leaseback arrangements and free from Security (other than that created by or pursuant to this Deed) and restrictions and onerous covenants (other than those set out in the Property Report in relation to that Property), and
- (E) in relation to the Non-Core Properties and the Heritage Properties of which it is stated to be the registered proprietor in schedule 1 (*Mortgaged Property*) (and except as disclosed in any property report in respect of an earlier financing which is refinanced by this Agreement and except as may be apparent from the title of that Property as recorded at the Land Registry), it is the legal and beneficial owner of that Property and has not received any notices in respect thereof that would, in the reasonable opinion of the relevant Obligor materially adversely affect or might reasonably be expected to materially and adversely affect the value, saleability or use of that Property

10.2 Each of the representations made in this clause are deemed to be made by each Chargor, by reference to the facts and circumstances then existing on the date of each Utilisation Request, on the Utilisation Date and the first day of each Interest Period

11 **Enforcement of Security**

11.1 **Trigger for enforcement**

The Security created or expressed to be created by this Deed shall be immediately enforceable if

- (A) an Event of Default occurs which is continuing, or
- (B) a Chargor requests the Security Agent to appoint a Receiver over the whole or any part of its undertaking and assets

11.2 **Power of sale**

- (A) At any time after an Event of Default has occurred and is continuing, the Security Agent shall be entitled, without prior notice to any Chargor or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit)
- (B) The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed

11.3 **Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

11 4 Section 93 of the LPA

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

11 5 No liability as mortgagee in possession

Neither the Security Agent, nor a Receiver nor any Delegate is

- (A) liable to account as mortgagee in possession in respect of the Security Assets; nor
- (B) subject to their complying with their obligations at law, liable for any loss upon realisation or exercise of any power, authority or right of the Security Agent, a Receiver or any Delegate arising under this Deed, nor for any act, default, neglect, or misconduct of any nature whatsoever

11 6 Possession

If the Security Agent or a Receiver enters into possession of the Security Assets, such person may at any time go out of possession at the discretion of such person

11 7 Privileges

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA

11 8 No duty to enquire

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable,
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or
- (D) as to the application of any money borrowed or raised

11 9 Protection to purchasers

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate

11 10 Financial collateral arrangements

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations") apply to any Security Asset, the Security Agent shall have the right at any time that the Security created or expressed to be created by this Deed becomes enforceable in accordance with clause 11 to appropriate any Security

Asset which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities. The value of each Security Asset appropriated in accordance with this clause shall be, in the case of cash, the amount of the cash appropriated, and, in the case of any Shares, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select. Each Chargor agrees that the method of valuation provided for in this clause 11.10 is commercially reasonable for the purposes of the Regulations.

12 Receiver

12.1 Appointment of Receiver

Following the occurrence of an Event of Default which is continuing or upon receipt of request from a Chargor for the Security Agent to appoint a Receiver, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Security Assets pursuant to this Deed and subject to any applicable insolvency law

- (A) the Security Agent may, by writing under the hand of any authorised officer of the Security Agent, appoint a Receiver in relation to the Security Assets,
- (B) subject to the Insolvency Act the Security Agent may, from time to time, in similar manner, remove a Receiver and appoint another in his place,
- (C) the Security Agent may, either at the time of appointment or at any time thereafter, fix the remuneration of a Receiver,
- (D) the Security Agent and any agent or nominee wherever situated may, without further notice, exercise in respect of all or any part of any shares and their Related Assets subject to the Security created by this Deed all the powers and rights exercisable by the registered holder of such shares and their Related Assets and all other powers conferred on mortgagees by the LPA as varied or extended by this Deed, and
- (E) the Security Agent and any agent or nominee wherever situated may apply any dividends, interest or other payments received or receivable by the Security Agent or by such nominee in respect of the shares and their Related Assets subject to the Security created by this Deed as if they were proceeds of sale

None of the restrictions imposed by the LPA in relation to the appointment of receivers, the giving of notice or otherwise shall apply

12.2 Delegation by Receiver

A Receiver may from time to time delegate, by power of attorney or otherwise, to any person any of his powers and discretions, whether arising by statute, the provisions of this Deed or otherwise, upon such terms and for such periods of time as he may in his discretion think fit and may from time to time terminate any such delegation. The Security Agent shall not be liable for any loss or damage arising from any such delegate's act, default, neglect or misconduct of any nature whatsoever

13 Powers of Receiver

13 1 General powers

A Receiver has all the powers to do or abstain from doing anything which a Chargor could do or abstain from doing in relation to the Security Assets including, without limitation, the powers and discretions set out below in this clause, the powers conferred by Section 109 of the LPA (Appointment, powers, remuneration and duties of receivers) and, in the case of a Receiver who is an administrative receiver, the powers conferred by Section 29 of the Insolvency Act (Definitions) and Schedule 1 to the Insolvency Act (Powers of administrator or administrative receiver)

13 2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset

13 3 Carry on business

A Receiver may carry on, manage or concur in carrying on managing the whole or any part of the business of a Chargor as he may in his discretion think fit

13 4 Dealings with Security Assets

A Receiver may, in each such case in such manner and generally on such terms as he may in his discretion think fit

- (A) manage, insure, repair, decorate, maintain, alter, improve, renew or add to the Security Assets or concur in so doing,
- (B) commence or complete any building operations on any of the Mortgaged Property, and
- (C) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

including entry into any agreement, deed or contract in relation to any of the above

13 5 Sale of Security Assets

- (A) A Receiver may sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he may in his discretion think fit
- (B) Without prejudice to the generality of paragraph (A) above, a Receiver may do any of these things for any valuable consideration, including, without limitation, cash, shares, stock, debentures or other obligations Any such consideration may be payable in a lump sum or by instalments spread over such period as a Receiver may in his discretion think fit
- (C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the Mortgaged Property containing them without the consent of a Chargor

13.6 Mortgaged Property

- (A) A Receiver may, in each such case in such manner and generally on such terms as a Receiver may in his discretion think fit, with all the powers of an absolute beneficial owner
- (1) let, hire or lease (with or without premium) any Mortgaged Property and accept surrenders of leases or tenancies or concur in so doing,
 - (2) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of any of the Mortgaged Property, and
 - (3) exchange or concur in exchanging any of the Mortgaged Property
- (B) A Receiver may exercise any such power in paragraph (A) above by effecting such transaction in the name or on behalf of a Chargor or otherwise
- (C) Without any further consent by or notice to the relevant Chargor, a Receiver may exercise all the powers and provisions conferred on a landlord or a tenant by any legislation in force
- (D) A Receiver may make allowances to, and re-arrangements with, any person occupying the whole or any part of the Mortgaged Property, and negotiate and agree, or refer to arbitration, any revision of rent under any leases in respect of which the rental may fall to be reviewed and accept service of, or serve, any notice received or required or deemed desirable in connection with any such review or with the exercise of any option

13.7 Borrow money

- (A) For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, a Receiver may raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the security constituted by this Deed or otherwise, and generally on such terms as he may in his discretion think fit
- (B) No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of any money so raised or borrowed

13.8 Lending

A Receiver may lend money or advance credit to any customer of Chargor

13.9 Calls

A Receiver may make, or require the directors of a Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as a Receiver may in his discretion require and enforce payment of any call so made by action (in the name of the relevant Chargor or the relevant Receiver as that Receiver may in his discretion think fit) or otherwise

13 10 Compromise and legal actions

A Receiver may

- (A) settle or compromise any claim, adjust any account, refer to arbitration any dispute, and deal with any question or demand relating in any way to the Security Assets, and
- (B) bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets,

as he may in his discretion think fit

13 11 Subsidiaries

A Receiver may do the following in his discretion as he thinks fit

- (A) promote the formation of any Subsidiary of a Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets,
- (B) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such Subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, and
- (C) arrange for such Subsidiary to trade or cease to trade

13.12 Appointments and delegation

A Receiver may

- (A) appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he may in his discretion think fit, and
- (B) delegate his powers in accordance with this Deed

13 13 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he may in his discretion think proper or desirable for realising the Security Assets

13 14 Investigations

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Agent or otherwise and comply with all lawful orders and directives regarding Environmental Law

13 15 Trust

A Receiver may, in such manner and generally on such terms as a Receiver may in his discretion think fit, with all the powers of an absolute beneficial owner, appoint any trustees in respect of any Mortgaged Property and may exercise such power by effecting such transaction in the name or on behalf of a Chargor or otherwise

13 16 Other

A Receiver may

- (A) do all such other acts and things as it may in his discretion consider to be incidental or conducive to any of the matters or powers set out in this Deed or otherwise incidental or conducive to the preservation, improvement or realisation of the Security Assets; and
- (B) use the name of the relevant Chargor for any purpose in relation to this Deed

13 17 Receiver as agent of a Chargor

A Receiver is for all purposes the agent of the relevant Chargor. Subject to the provisions of the Insolvency Act, the relevant Chargor is solely responsible for all Receivers' acts, defaults, neglect and misconduct of any nature whatsoever and for each Receivers remuneration and costs, to the exclusion of liability on the part of the Security Agent

13 18 No obligation

No Receiver is obliged to exercise any of the powers set out in this clause

13 19 Several power

Where more than one Receiver is appointed, each Receiver has the power to act severally unless the Security Agent specifies otherwise in the appointment of such Receiver

13.20 Powers exercisable by the Security Agent

- (A) The Security Agent may exercise all powers granted to a Receiver by this Deed, whether as attorney of a Chargor or otherwise
- (B) The powers of a Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Agent and so that, without limitation, such powers are and remain exercisable by the Security Agent in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Agent is from time to time subsisting

14 Power of attorney

14 1 Appointment

Each Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution) on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit

- (A) to do anything which a Chargor is obliged to do under any Finance Document, but has failed to do so on the date it was obliged so to do, and

- (B) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document, the LPA or the Insolvency Act 1986

14 2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause

15 Delegation

15 1 Delegate and sub-delegates

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed

15 2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit

15 3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to a Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

16 Preservation of security

16 1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred and each Finance Party shall be entitled to recover the value or amount of that payment, security or disposition from any Chargor

16 2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its rights and/or obligations under this Deed (and whether or not known to it or any Finance Party) including, without limitation

- (A) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (B) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any other person,
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of

any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,

- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person,
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental, whether or not more onerous or of whatever nature) or replacement of a Finance Document or any other document or security, including, without limitation, any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings

16.3 Immediate recourse

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

16.4 Appropriations

Until the Secured Liabilities have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall not be entitled to the benefit of the same, and
- (B) hold in an interest-bearing suspense account any moneys received from each Chargor or on account of each Chargor's liability under this Deed unless such moneys are sufficient to discharge the Secured Liabilities in which case they shall as far as possible be applied for that purpose

16.5 Deferral of a Chargor's rights

Until the Secured Liabilities have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed

- (A) to be indemnified by an Obligor or any other person,
- (B) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents,

- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,
- (D) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which an Obligor has given a guarantee, undertaking or indemnity under any other Finance Document,
- (E) to exercise any right of set-off against any Obligor or other person, and/or
- (F) to claim or prove as a creditor of any Obligor or other person in competition with any Finance Party

If any Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by such Chargor under or in connection with the Finance Documents to be repaid in full) on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct

17 **Costs and expenses**

Costs and expenses relating to this Deed shall be paid in accordance with the provisions of clause 16 (*Costs and expenses*) of the Facilities Agreement

18 **Payments**

18.1 **Set-off**

- (A) At any time following an Event of Default, the Security Agent may set off any matured obligation due from a Chargor under this Deed (to the extent beneficially owned by the Security Agent) against any matured obligation owed by the Security Agent to a Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off
- (B) All payments to be made by a Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim

18.2 **Taxes**

Each Chargor shall pay Tax and VAT in respect of any amount payable by it to the Security Agent any Receiver, Delegate or Finance Party under this Deed in accordance with the Facilities Agreement.

18.3 **Default interest**

Any amount due but unpaid by a Chargor under this Deed shall incur interest in accordance with default interest provisions of the Facilities Agreement

18 4 Continuation of accounts

- (A) At any time if any subsequent Security affects any Security Asset (other than any Security permitted by the Finance Documents), any Security Asset is disposed of or a petition is presented or resolution passed in relation to the winding-up of a Chargor (other than a frivolous or vexatious petition which is discharged, stayed or dismissed within 14 days of commencement), any Finance Party may
 - (1) close any account of the relevant Chargor then existing, and
 - (2) open a new account in the name of the relevant Chargor (whether or not it permits any existing account to continue)
- (B) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred, unless the relevant Chargor has received written notice from a Finance Party to the contrary
- (C) All payments made to a Finance Party after such an event shall be credited to, or treated as having been credited to, the new account
- (D) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the Secured Liabilities

18 5 Application of payments to the Security Agent

The Security Agent shall apply all amounts received or recovered under this Deed in satisfaction of, whether in whole or in part, the Secured Liabilities in accordance with the Facilities Agreement

18 6 Business Days

- (A) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not)
- (B) During any extension of the due date for payment of any amount under this Deed, interest is payable on the principal or the then due but unpaid amount at the rate payable on the original due date

18 7 Currency of account

- (A) Subject to paragraphs (B) and (C) below, sterling is the currency of account and payment for any sum due from a Chargor
- (B) All payments by a Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct
- (C) Any amount expressed to be payable in a currency other than sterling shall be paid in that other currency

18.8 Change of currency

- (A) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then
- (1) any reference in this Deed to, and any obligations arising under this Deed in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Security Agent (after consultation with each Chargor), and
 - (2) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Security Agent (acting reasonably)
- (B) If a change in any currency of a country occurs, this Deed shall, to the extent the Security Agent (acting reasonably and after consultation with each Chargor) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency

18.9 Day count convention

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice

19 Calculations and certificates

19.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by each Chargor are *prima facie* evidence of the matters to which they relate

19.2 Certificates and determinations

Any certification or determination by the Security Agent of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates

20 Release of Security

20.1 Release

- (A) At the end of the Security Period, the Security Agent shall, at the written request and reasonable cost of each Chargor, promptly take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by this Deed (including the assignment of any Security Assets assigned to the Security Agent under this Deed back to the relevant Chargor) and return all deeds and documents of title held by the Security Agent in relation to this Deed and execute and deliver such further deeds and documents as each Chargor may reasonably require to give effect to this clause

- (B) In the event of a permitted disposal of a Security Asset, the Security Agent shall, at the written request and reasonable cost of each Chargor, take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by this Deed and return all deeds and documents of title held by the Security Agent in relation to this Deed and execute and deliver such further deeds and documents as each Chargor may reasonably require to give effect to this clause

20 2 Retention

If the Security Agent considers (acting reasonably) that any amount paid or credited to it under a Finance Document or this Deed is likely to be avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have irrevocably paid

21 Tacking

Each Chargor acknowledges that each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

22 No merger or prejudice

This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Agent of any other security at any time held by the Security Agent

23 Partial invalidity

If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of the remaining provisions under the law of any other jurisdiction will in any way be affected or impaired

24 Remedies and waivers

- (A) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed 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
- (B) The rights and remedies provided in this Deed are cumulative and are not exclusive of any right or remedies provided by law

25 Changes to the Parties

25 1 Assignment and transfer by a Chargor

No Chargor shall assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed

25 2 Assignment and transfer by the Security Agent

The Security Agent may assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed to any person to which it is

permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facilities Agreement

26 The Finance Documents

Each Chargor acknowledges the terms of the Finance Documents, including, without limitation, clause 8.4 (*Default interest*), clause 29 (*Role of the Agent, the Security Agent and the Arranger*) and clause 30 (*Application of Proceeds*) of the Facilities Agreement

27 Notices

Every notice, request, demand or other communication under this Deed shall be made and delivered in accordance with the Facilities Agreement

28 Counterparts

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

29 Governing law

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

30 Enforcement

30.1 Jurisdiction

- (A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute")
- (B) Each Party agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (C) This clause is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions

THIS DEED has been entered into as a deed and delivered on the date stated at the beginning of this Deed

SCHEDULE 1: MORTGAGED PROPERTY

PART 1: WEST INDIA QUAY DEVELOPMENT COMPANY (EASTERN) LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
1	Land and buildings on the south side of Hertsmere Road, London (The London Marriott)	West India Quay Development Company (Eastern) Limited	EGL388976	Freehold

PART 2: YIANIS HOTELS LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
2	The Four Seasons Hotel, Westferry Circus	Yianis Hotels Limited	EGL416904	Leasehold

PART 3: YIANIS FSCR LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
3	The Four Seasons Hotel, Westferry Circus, London	Yianis FSCR Limited	EGL416899	Leasehold

PART 4: HECTAGON ASSETS LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
4	Tower House, Fieldgate Street, Whitechapel, London E1 1JU	Hectagon Assets Limited	NGL473535	Freehold

5	Land at Back Church Lane and Pinchin Street, London E1 1LX (Old Wool Factory)	Hectagon Assets Limited	LN227253	Freehold
6	38 Mount Pleasant, Holborn, London WC1X 0AN (Panther House)	Hectagon Assets Limited	NGL239600	Freehold
7	156 to 164 (even) Gray's Inn Road, Holborn, London WC1X 8EU (Panther House)	Hectagon Assets Limited	NGL769341	Freehold
8	Palace Hotel and 3 to 11 Pier Hill, Southend-on-Sea	Hectagon Assets Limited	EX373853	Freehold
9	124, 126, 128 and 128A Shacklewell Lane (The Cotton Loft)	Hectagon Assets Limited	NGL236297	Freehold
10	9-11 London Lane, London E8	Hectagon Assets Limited	259663	Freehold

PART 5: BLUE MANCHESTER LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
11	Parts of the lower basement, upper basement, ground floor, ground floor mezzanine, first, second, and third floors and part of levels 4 to 24, The Hilton Hotel, 303 Deansgate, Manchester M3 4LQ	Blue Manchester Limited	MAN67742	Leasehold

PART 6: BLUE LIVERPOOL LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
12	Radisson Hotel, 107-109 Old Hall Street, Liverpool L3 9BD	Blue Liverpool Limited	MS485499	Leasehold

PART 7: NO 1 WEST INDIA QUAY (RESIDENTIAL) LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
13	Residential Elements, Eastern Tower, West India Quay, Isle of Dogs, London	No 1 West India Quay (Residential) Limited	EGL475068	Leasehold
14	Parking Spaces 38, 39, 45, 48, 49, 80 to 86 (inclusive), 99 to 109 (inclusive) 125 to 132 (inclusive), 157 to 164 (inclusive) and 181 to 187 (inclusive) Hertsmere Road, Isle of Dogs, London	No 1 West India Quay (Residential) Limited	EGL407277	Leasehold

PART 8: OCTAGON OVERSEAS LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
15	Phase 1, Riverside, Westferry Circus, London	Octagon Overseas Limited	EGL359129	Freehold

PART 9: CANARY RIVERSIDE ESTATE MANAGEMENT LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
16	Various parking spaces within Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL473824	Leasehold
			EGL477859	Leasehold
			EGL474404	Leasehold
			EGL474191	Leasehold
			EGL473825	Leasehold
			EGL471546	Leasehold
17	The car park within Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL385083	Leasehold

18	Belgrave Court, Eaton House, Berkeley Tower and Hanover House, Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL365354	Leasehold
19	28-30 Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL385085	Leasehold
20	37 Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL402555	Leasehold
21	Health Club, Westferry Circus, Canary Wharf	Canary Riverside Estate Management Limited	EGL385086	Leasehold

PART 10: OCTAGON PIER LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
22	Park Inn Palace, Church Road, Southend-on-Sea SS1 2AL	Octagon Pier Limited	EX849005	Leasehold

PART 11: HECTAGON INVESTMENTS LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
23	124, 126, 128 and 128A Shacklewell Lane, London E8 (The Cotton Loft)	Hectagon Investments Limited	Title number to be allocated after the date of this Agreement	Leasehold
24	9-11 London Lane, London E8	Hectagon Investments Limited	Title number to be allocated after the date of this Agreement	Leasehold
25	74 Backchurch Lane, London E1 (Old Wool Factory)	Hectagon Investments Limited	Title number to be allocated after the date of this Agreement	Leasehold

26	81 Fieldgate Street, London (Tower House)	Hectagon Investments Limited	Title number to be allocated after the date of this Agreement	Leasehold
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PART 12: NO 1 WEST INDIA QUAY (COMMERCIAL) LIMITED

No	Description of premises	Registered proprietor	Title number	Tenure
27	Land and buildings on the south side of Hertsmere Road, London (The London Marriott)	West India Quay Development Company (Eastern) Limited	EGL388976	Freehold

SCHEDULE 2: SHARES

Name of company in which shares are held	Company number	Name of company by whom shares are held	Company number	Class of shares held	Number of shares held	% held
No 1 West India Quay (Residential) Limited	04231601	West India Quay Development Company (Eastern) Limited	03290047	£1 ordinary shares	2	100
West India Quay Development Company (Eastern) Limited	03290047	West India Quay (Eastern) Limited	03413441	£1 ordinary shares	1	50
West India Quay Development Company (Eastern) Limited	03290047	WIQ Hotel Corporation Limited	03433156	£1 ordinary shares	1	50
West India Quay (Eastern) Limited	03413441	Yianis Docklands Hotels Limited	05809378	£1 Ordinary 'A' Shares £1 Ordinary 'B' Shares £1 Ordinary 'C' Shares	1500 2650 1350	100
WIQ Hotel Corporation Limited	03433156	Yianis Docklands Hotels Limited	05809378	£1 ordinary shares	2	100
Yianis FSCR Limited	05519934	Yianis Hotels Limited	05519834	£1 ordinary shares	2	100
Octagon Pier Limited	06530365	Octagon Assets Limited	03873537	£1 ordinary shares	1	100
Yianis Docklands Hotels Limited	05809378	Octagon Overseas Limited	04929701	£1 ordinary shares	2	100
Canary Riverside Estate Management Limited	03769069	Octagon Overseas Limited	04929701	£1 ordinary shares	2,000,002	100
Yianis Hotels Limited	05519834	Octagon Overseas Limited	04929701	£1 ordinary shares	2	100

Octagon Overseas Limited	04929701	Yianis Holdings Limited	04977321	£1 ordinary shares	2	100
Blue Manchester Limited	07408603	BM Manchester Limited	07385695	£1 ordinary shares	80,000	100
Blue Liverpool Limited	07407365	BM Liverpool Limited	07385698	£1 ordinary shares	20,000	100
No 1 West India Quay (Commercial) Limited	04254128	West India Quay Development Company (Eastern) Limited	03290047	£1 ordinary shares	2	100

SCHEDULE 3 : INTELLECTUAL PROPERTY

None specified

SCHEDULE 4: NOTICE TO ACCOUNT CHARGE

To [Account Bank]

Address [•]

[Date]

Dear Sirs,

[Description of each Account] (each a "Secured Account")

1 We refer to

(A) the following accounts (together the "Blocked Accounts"), which shall include all monies standing to the credit of the Blocked Accounts now or in the future

(1) [details of accounts]

(B) the following accounts (the "General Account"), which shall include all monies standing to the credit of the General Account now or in the future

(1) [details of accounts]

The Blocked Accounts and the General Account are together the "Secured Accounts"

2 We also refer to the security agreement (the "Security Agreement") dated [•] between [•] as chargors and Lloyds Bank PLC as security agent (the "Security Agent")

3 We give you notice that pursuant to the Security Agreement, we have charged in favour of the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) by way of first fixed charge, all of our rights in respect of each Secured Account and the debts represented by each Secured Account, and

4 We irrevocably instruct and authorise you

(A) to disclose to the Security Agent any information relating to the Secured Accounts requested from you by the Security Agent,

(B) in respect of the Blocked Accounts

(1) to comply with the terms of any written notice or instruction relating to the Blocked Accounts received by you from the Security Agent,

(2) to hold all sums standing to the credit of the Blocked Accounts to the order of the Security Agent and not to release any monies from the Blocked Accounts without the prior written consent of the Security Agent,

(3) to pay or release any sum standing to the credit of the Blocked Accounts in accordance with the written instructions of the Security Agent, and

(4) that all our rights in connection with the Blocked Accounts are exercisable by the Security Agent,

(C) in respect of the General Account

- (1) until receipt of written confirmation from the Security Agent that an Event of Default is continuing, to permit the relevant Chargor to operate the General Account, and
- (2) following written confirmation from the Security Agent that a Material Default is continuing
 - (a) to only pay or release any monies from the General Account with the prior written consent of the Security Agent,
 - (b) to comply with the terms of any written notice or instruction relating to the General Account received by you from the Security Agent,
 - (c) to disclose to the Security Agent any information relating to the General Account requested from you by the Security Agent

5 The instructions in this letter

- (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,
- (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and
- (C) may not be revoked or amended without the prior written consent of the Security Agent

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of each Secured Account as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we

- (A) will accept the instructions contained in the notice and agree to comply with the notice,
- (B) have not received notice of the interest of any third party in any Secured Account,
- (C) will not permit any amount to be withdrawn from any Blocked Account without the prior written consent of the Security Agent;
- (D) will not permit any amount to be withdrawn from the General Account following receipt of written confirmation from the Security Agent that a Material Default is continuing without the prior written consent of the Security Agent, and
- (E) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Secured Account

For and on behalf of
[account bank]

Date

SCHEDULE 5: NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To [Counterparty]

Address: [•]

[Date]

Dear Sirs,

[Description of relevant Assigned Contract[s]] (the "Contract")

1 We refer to

- (A) the Contract, and
- (B) the security agreement (the "Security Agreement") dated [•] between [•] as Chargor (the "Chargor") and [•] as Security Agent (the "Security Agent")

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Contract

2 We irrevocably instruct and authorise you

- (A) that we will remain liable under the Contract to perform all the obligations assumed by us under the Contract. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement,
- (B) that we are entitled to exercise all of its rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Security Agent to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Agent or as it directs

3 Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Contract without the prior consent of the Security Agent

4 The instructions in this letter

- (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,
- (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and
- (C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Contract as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this notice is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Contract.

For and on behalf of [The Counterparty]

Date

SCHEDULE 6: NOTICE TO INSURERS

To [The Insurers]

Address [•]

[Date]

Dear Sirs

[Description of relevant insurance policy] (the "Insurances")

We refer to

- (A) the Insurances, and
- (B) the security agreement (the "Security Agreement") dated [•] between [•] as Chargors (the "Chargor") and [•] as Security Agent (the "Security Agent")

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Insurances

1 We irrevocably and unconditionally instruct and authorise you

- (A) that all moneys payable by you to the Chargors in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargors, unless and until you receive written notice from the Security Agent that an Event of Default is continuing, in which event you should make all future payments as then directed by the Security Agent;
- (B) subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
- (C) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, and
- (D) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Security Agent

2 The instructions in this letter

- (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,
- (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and

(C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this notice is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or change, or notice that any other person claims any rights in respect of the Insurances

For and on behalf of
[The Insurer]

Date .

SCHEDULE 7: NOTICE TO TENANT

[On the letterhead of each relevant Chargor]

To [Tenant]

[Date]

Dear Sirs,

[Description of relevant Occupational Lease] (the "Occupational Lease")

We refer to the security agreement (the "Security Agreement") dated [•] between, [•] as Chargor (the "Chargor") and [•] as Security Agent (the "Security Agent")

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Occupational Lease, including all rent payable to us under the Occupational Lease

- 1 We irrevocably and unconditionally instruct and authorise you
 - (A) to make all payments in connection with the Occupational Lease as directed by the Security Agent from time to time,
 - (B) the Security Agent currently instructs you to pay all amounts due under the Occupational Lease to *[insert either Rent Account or Managing Agent's trust account details as relevant]*,
 - (C) until otherwise advised by the Security Agent, we will remain liable under the Occupational Lease to perform all the obligations assumed by us under the Occupational Lease. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Occupational Lease,
 - (D) you should continue to give notices under the Occupational Lease as directed under the Occupational Lease, unless and until you receive notice from the Security Agent to the contrary, and
 - (E) to disclose to the Security Agent any information relating to the Occupational Lease which the Security Agent may request
- 2 Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Occupational Lease without the prior consent of the Security Agent
- 3 The instructions in this letter
 - (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,
 - (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and

(C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

Yours faithfully,

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms
We confirm that we have not received any other notice of assignment or charge, or notice that any other person claims any rights in respect of the Occupational Lease

For and on behalf of
[Tenant]

Date

EXECUTION PAGES

The Chargors

EXECUTED as a DEED by
YIANIS DOCKLANDS HOTELS LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

)
)
) [Signature]
) (Signature)

Witness Name CHRISTOPHER CHRISTOU

Witness Address 50 Westferry Circus
London E14

Witness Occupation Solicitor

EXECUTED as a DEED by
HECTAGON ASSETS LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

)
)
) [Signature]
) (Signature)

Witness Name CHRISTOPHER CHRISTOU

Witness Address 50 Westferry Circus
London E14

Witness Occupation. Solicitor

EXECUTED as a DEED by
HECTAGON INVESTMENTS LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

)
)
) [Signature]
) (Signature)

Witness Name CHRISTOPHER CHRISTOU

Witness Address: 50 Westferry Circus
London E14

Witness Occupation Solicitor

EXECUTED as a DEED by
OCTAGON OVERSEAS LIMITED
acting by LAMBRAS HADJIOANNOU
in the presence of

)
)
)
)
)
(Signature)

C. Christou
Signature of witness

Witness Name CHRISTOPHER CHRISTOU
Witness Address 50 Westferry Circus
London E14
Witness Occupation Solicitor

EXECUTED as a DEED by
BLUE MANCHESTER LIMITED
acting by LOUCAS LOUCA
in the presence of

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(Signature)

C. Christou
Signature of witness

Witness Name CHRISTOPHER CHRISTOU
Witness Address 50 Westferry Circus London E14
Witness Occupation Solicitor

EXECUTED as a DEED by
BLUE LIVERPOOL LIMITED
acting by LOUCAS LOUCA
in the presence of

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(Signature)

C. Christou
Signature of witness

Witness Name CHRISTOPHER CHRISTOU
Witness Address 50 Westferry Circus London E14
Witness Occupation Solicitor

(Signature)

Witness Name: CHRISTOPHER CHRISTOU
Witness Address: 50ukstern Cycles
Witness Occupation: London E14
Sprinter

(Signature)

Witness Name CHRISTOPHER CHRISTOG
Witness Address 50 West Ferry Circle
Witness Occupation London E14
Spiller

(Signature)

Witness Name *CHRISTOPHER CHRISTIAN*
Witness Address *50 Westferry Circus*
London E14
Witness Occupation *Splinter*

EXECUTED as a DEED by
YIANIS HOTELS LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

Witness Name: CHRISTOPHER CHRISTOU

Witness Address 50 Westferry Circus
London E14

Witness Occupation Solicitor

) [Signature]
(Signature)

EXECUTED as a DEED by
WIQ HOTEL CORPORATION LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

Witness Name CHRISTOPHER CHRISTOU

Witness Address 50 Westferry Circus
London E14

Witness Occupation Solicitor

) [Signature]
(Signature)

EXECUTED as a DEED by
WEST INDIA QUAY (EASTERN) LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

C. Christou

Signature of witness

Witness Name: CHRISTOPHER CHRISTOU


Witness Address 50 Westferry Circus
London E14

Witness Occupation Solicitor

) [Signature]
(Signature)

in the presence of

Clinton

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(Signature)

Witness Address *Sweetfern Caves*

London E14

Witness Occupation *Plumber*

in the presence of

Chitra

(Signature)

Witness Address, 50 West Ferry Circle


London E44

Witness Occupation *Self-employed*

in the presence of

Christy

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(Signature)

Witness Name. CHRISTOPHER CHRISTOU

Witness Address 50 Westferry Circus, London E14

Witness Occupation *Self-employed*

EXECUTED as a DEED by
BM LIVERPOOL LIMITED
acting by LOUCA LOUCA
in the presence of

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(Signature)

C. Christou
Signature of witness

Witness Name CHRISTOPHER CHRISTOU
Witness Address 50 Westferry Circus, London E14
Witness Occupation Solicitor

EXECUTED as a DEED by
NO 1 WEST INDIA QUAY (COMMERCIAL)
LIMITED
acting by LAMBROS HADJIOANNOU
in the presence of

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(Signature)

C. Christou
Signature of witness

Witness Name CHRISTOPHER CHRISTOU
Witness Address 50 Westferry Circus
London E14
Witness Occupation Solicitor

The Security Agent

EXECUTED as a DEED by
LLOYDS BANK PLC
acting by _____
in the presence of

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(Signature)

Signature of witness

Witness Name

Witness Address

Witness Occupation

EXECUTED as a DEED by
BM LIVERPOOL LIMITED
acting by _____
in the presence of _____

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(Signature)

Signature of witness

Witness Name

Witness Address

Witness Occupation

EXECUTED as a DEED by
**NO 1 WEST INDIA QUAY (COMMERCIAL)
LIMITED**
acting by _____
in the presence of _____

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(Signature)

Signature of witness

Witness Name

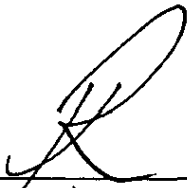
Witness Address

Witness Occupation

The Security Agent

EXECUTED as a DEED by
LLOYDS BANK PLC
acting by Jamal Rafique
in the presence of _____

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(Signature)



Signature of witness

Witness Name Yukiko Murasaki

Witness Address

Witness Occupation

Trainee solicitor

SIMMONS & SIMMONS
City Point
One Ropemaker Street
LONDON EC2Y 9SS