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bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

213275/507

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

(13)

5686193

Name of company

* Tussauds Hotels South Limited (the **Chargor**)

Date of creation of the charge

26 June 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

A security agreement dated 26 June 2008 entered into by, amongst others,
(1) Merlin Entertainments Group Luxembourg 2 S.à r.l (the **Parent**), (2)
the **Chargor**; and (3) the Security Agent (the **Security Agreement**)

Amount secured by the mortgage or charge

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 Italian Creditor under any
Finance Document, except for any obligation or liability which, if it
were so included, would result in the Security Agreement contravening any
law (including section 151 of the Companies Act 1985) (the **Secured
Liabilities**)

Names and addresses of the mortgagees or persons entitled to the charge

Bayerische Hypo- und Vereinsbank AG, London Branch, Moor House, 120 London
Wall, London (the **Security Agent**)

Postcode EC2Y 5ET

Presentor's name address and
reference (if any)

Allen & Overy LLP
One Bishops Square
London
E1 6AD

13427-02534

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

FRIDAY



LK1ZM1BK

LD4

11/07/2008

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COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see the attached continuation sheets

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in black type, or
bold block
lettering**

Particulars as to commission allowance or discount (note 3)

N11

Signed



Date 10 June 2008

On behalf of ~~XXXXXXXX~~ [mortgagee/chargee] †

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge
(See Note 5)*

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is Companies House, Crown Way, Cardiff CF14 3UZ.

FORM 395 CONTINUATION SHEET FOR TUSSAUDS HOTELS SOUTH LIMITED

SHORT PARTICULARS OF ALL PROPERTY MORTGAGED OR CHARGED

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Any reference in this Form 395 to

Accession Letter means a document substantially in the form set out in Schedule 7 (*Form of Accession Letter*) of the Italian Facilities Agreement

Account Bank means a bank or financial institution with whom a Security Account is maintained

Additional Borrower means a company which becomes a Borrower in accordance with clause 30 (*Changes to the Obligors*) of the Italian Facilities Agreement

Additional Guarantor means a company which becomes a Guarantor in accordance with clause 30 (*Changes to the Obligors*) of the Italian Facilities Agreement

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company

Arranger means Goldman Sachs International, Bayerische Hypo- und Vereinsbank AG, London Branch, Lehman Brothers International (Europe), Merrill Lynch International and Citigroup Global Markets Limited

Assigned Agreements means each agreement or instrument or right or interest assigned or purported to be assigned pursuant to clause 4.1 (*Assignments*) of the Security Agreement and/or any Deed of Accession

Borrower means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 30 (*Changes to the Obligors*) of the Italian Facilities Agreement

Collection Accounts means any account of the Chargor set out in Schedule 5 of the Security Agreement and/or such accounts as the Chargor and the Security Agent may agree or (following the occurrence of a Declared Default) as the Security Agent shall specify

Company means Luxco 3

Compliance Certificate means a certificate substantially in the form set out in Schedule 9 (*Form of Compliance Certificate*) of the Italian Facilities Agreement

Declared Default means an Event of Default in respect of which any notice has been served by the Facility Agent in accordance with clause 28.19 (*Acceleration*) of the Italian Facilities Agreement

Deed of Accession means a deed substantially in the form of Schedule 7 of the Security Agreement executed, or to be executed, by a chargor

Default Rate means, until the end of the Security Period, at any time, a rate determined in accordance with clause 14.3 (*Default Interest*) of the Italian Facilities Agreement

Event of Default has the meaning given to that term in the Italian Facilities Agreement

Facility A means the term loan facility made available under the Italian Facilities Agreement as described in paragraph (a)(i) of clause 2.1 (*The Facilities*) of the Italian Facilities Agreement

Facility Agent means Bayerische Hypo- und Vereinsbank AG, London Branch as agent of the other Finance Parties

Facility B means the term loan facility made available under the Italian Facilities Agreement as described in paragraph (a)(ii) of clause 2.1 (*The Facilities*) of the Italian Facilities Agreement

Fee Letter means

- (a) any letter or letters dated on or about the date of the Italian Facilities Agreement between the Arranger (acting as Arranger or in any other capacity) and MEG Lux 2 (or the Facility Agent and MEG Lux 2 or the Security Agent and MEG Lux 2) (in each case to which the Parent is a party or has acceded since the date of the Italian Facilities Agreement) setting out any of the fees referred to in clause 17 (*Fees*) of the Italian Facilities Agreement, and
- (b) any agreement setting out fees payable to a Finance Party referred to in clause 17.5 (*Fees payable in respect of Letters of Credit*) of the Italian Facilities Agreement or under any other Finance Document

Finance Document means the Italian Facilities Agreement, any Accession Letter, the Participation Agreement, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Hedging Letter, the Investor Undertaking, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, the Syndication Side Letter, any Transaction Security Document, any Utilisation Request and any other document designated as a Finance Document by the Facility Agent and the Parent

Finance Party means the Facility Agent, the Arranger, the Security Agent, a Lender, a Participant, the Participants' Agent, the Issuing Bank or a Hedge Counterparty

Fixtures means, in relation to any freehold or leasehold property mortgaged or charged by or pursuant to the Security Agreement, all fixtures and fittings (including trade fixtures and fittings) and fixed plant, machinery and equipment owned by the Chargor from time to time on or forming part of such property

Group means MEG Lux 2, the Target, the Parent and each of their respective Subsidiaries for the time being

Group Shares means all shares owned by the Chargor in its Subsidiaries at any time during the Security Period including those shares specified in Schedule 3 of the Security Agreement or in the schedule to any Deed of Accession

Group Share Rights means, in relation to the Group Shares, all dividends and other distributions paid or payable after the date of the Security Agreement on all or any of the Group Shares and all stocks, shares, securities (and the dividends or interest thereon), rights, money, allotments, benefits or property accruing or offered at any time by way of redemption, bonus, preference, option rights or otherwise to or in respect of any of the Group Shares or in substitution, conversion or exchange for any of the Group Shares

Guarantor means an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 30 (*Changes to the Obligors*) of the Italian Facilities Agreement

Hedge Counterparty means a person which has become a party to the Intercreditor Agreement as a hedging bank in accordance with the provisions of the Intercreditor Agreement

Hedging Agreement means any master agreement, confirmation, schedule or other agreement documented by way of ISDA documentation entered into or to be entered into by an Obligor and a Hedge Counterparty for the purpose of hedging interest rate liabilities and/or any exchange rate or other risks in relation to the Term Facilities in accordance with the Hedging Letter delivered to the Facility Agent under clause 4.1 (*Conditions Precedent*) of the Italian Facilities Agreement

Hedging Letter means a letter between the Facility Agent and MEG Lux 2 in the agreed form dated on or before the date of the Italian Facilities Agreement (and executed by MEG Lux 2) describing the hedging arrangements to be entered into in respect of the interest rate liabilities of the Borrowers of the Term Facilities under the Italian Facilities Agreement

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary

Insolvency Act 1986 means the Insolvency Act 1986 (as amended by the Insolvency Act 2000 and the Enterprise Act 2002 and otherwise as amended from time to time)

Insurances means all contracts and policies of insurance (including, for the avoidance of doubt, all cover notes) of whatever nature which are from time to time taken out by or on behalf of the Chargor or (to the extent of such interest) in which the Chargor has an interest, but excluding any third party liability or public liability insurance and any directors or officers insurance

Intellectual Property means

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets,

including but not limited to the intellectual property rights listed in Schedule 9 (*Intellectual Property*) of the Security Agreement

Intercreditor Agreement means the intercreditor agreement dated 4 March 2007 and made between, among others, MEG Lux 2, the other Obligors, Bayerische Hypo- und Vereinsbank AG, London Branch

as Security Agent, Bayerische Hypo- und Vereinsbank AG, London Branch as ROW Facility Agent, the Lenders, the Hedge Counterparties and certain others

Investments means all physical stocks and shares (other than Group Shares), options, debentures, bonds, warrants, coupons, certificates or other securities and investments or, where relevant, the right, title, interest and benefit in and to such assets now or in the future owned or held by the Chargor from time to time

Investments Rights means, in relation to the Investments, all dividends, coupons and other distributions paid or payable after the date of the Security Agreement on all or any of the Investments and all stocks, shares, securities (and the dividends or interest thereon), rights, money, allotments, benefits, advantages or property accruing or offered at any time by way of redemption, bonus, preference, option rights or otherwise to or in respect of any of the Investments or in substitution, conversion or exchange for any of the Investments

Investor Undertaking means the undertaking dated 4 March 2007 given by Dubai International Capital LLC, DIC (Cayman) Limited and Caddis Assets Limited in favour of the Security Agent

Issuing Bank means each Lender which is an Italian Qualifying Lender identified in the Italian Facilities Agreement as an issuing bank and any other Lender which is an Italian Qualifying Lender and which has notified the Facility Agent that it has agreed to the Parent's request to be an Issuing Bank pursuant to the terms of the Italian Facilities Agreement (and if more than one Lender has so agreed, such Lenders shall be referred to, whether acting individually or together, as the Issuing Bank) provided that, in respect of a Letter of Credit issued or to be issued pursuant to the terms of the Italian Facilities Agreement, the Issuing Bank shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit

Italian Facilities Agreement means the Italian credit facilities agreement dated 4 March 2007 between Luxco 3 as the Original Borrower, the Arrangers, the Original Lenders, the Participants, the Facility Agent and the Security Agent (each as defined therein), as amended and restated pursuant to a supplemental agreement dated 21 May 2007 and as further amended by amendment letters dated 10 July 2007, 27 September 2007 and 3 April 2008 and as amended and restated pursuant to a supplemental agreement dated 26 2008 and as further amended, restated or supplemented from time to time

Italian Qualifying Lender means

- (a) an Italian bank or other financial institution duly authorised to carry out lending activity in Italy resident in Italy for Tax purposes pursuant to article 73 of Presidential Decree number 917 of 22 December 1986, as subsequently amended, or any other provision applicable from time to time to the same effect, or
- (b) a permanent establishment in Italy of a foreign bank or financial institution duly authorised to carry out lending activity in Italy subject to Tax in Italy pursuant to article 151 and paragraph 1 of article 152 of Presidential Decree number 917 of 22 December 1986 as subsequently amended, or any other provision applicable from time to time to the same effect

Land Registry means Her Majesty's Land Registry

Lender means

- (a) any Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 29 (*Changes to Lenders*) of the Italian Facilities Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Italian Facilities Agreement

Letter of Credit means

- (a) a letter of credit, substantially in the form set out in Schedule 12 (*Form of Letter of Credit*) of the Italian Facilities Agreement or in any other form requested by the Parent and agreed by the Facility Agent and the Issuing Bank, or
- (b) any guarantee, indemnity or other instrument in a form requested by a Borrower (or the Parent on its behalf) and agreed by the Facility Agent and the Issuing Bank

Luxco 3 means Merlin Entertainments Group Luxembourg 3 S à r l

MEG Lux 2 means Merlin Entertainments Group Luxembourg 2 S à r l (formerly known as Play Lux Guarantee Co S à r l), a private limited liability company (*société à responsabilité limitée*), incorporated under the laws of Luxembourg, having its registered office 19, rue de Bitbourg L-1273 Luxembourg, having a current share capital of EUR331,375 and registered with the Luxembourg companies and trade register under number B108847

Member Interest means all interests of the Chargor as a member in any of its Subsidiaries which is a company limited by guarantee at any time during the Security Period including all such interests specified in Schedule 3 to the Security Agreement or in the schedule to any Deed of Accession or such of those interests as are specified against its name in Schedule 3 of the Security Agreement or as specified in the schedule to a Deed of Accession to which it is a party

Member Interest Rights means all dividends and other distributions paid or payable after the date of the Security Agreement in respect of all or any of the Member Interests and all stocks, shares, securities (and the dividends or interest thereon), rights, money, allotments, benefits or property accruing or offered at any time by way of redemption, bonus, preference, option rights or otherwise to or in respect of any of the Member Interests or in substitution, conversion or exchange for any of the Member Interests

Obligor means a Borrower, a Security Provider or a Guarantor

Original Borrower means Luxco 3

Original Lender means Bayerische Hypo- und Vereinsbank AG, Milan Branch

Original Obligor means the Original Borrower

Parent means Merlin Entertainments Group Italy S r l, a private limited liability company (*società a responsabilità limitata*), incorporated under the laws of Italy, having its registered office in Castelnuovo del Garda (Verona) Località Ronchi, with a company's capital of EUR 22,000 fully paid in, and registered with the Milan companies and trade register under number 1820144

Participant means a person who has entered into a Participation Agreement with the Lender (who will act in its own name but in the interest of the participants as "mandatario senza rappresentanza" for the purposes of Italian law) and which is the beneficial owner for tax purposes in respect of payments made to it (through the Lender) under the Finance Documents but excluding a person who is resident or domiciled in one of the states or territories having a privileged tax regime as listed under Italian Ministerial Decree of 23 January 2002, as amended

Participants' Agent has the meaning given to that term in the Participation Agreement

Participation Agreement means the agreement so designated dated 4 March 2007 between the Lender and the Participants, as amended and restated by a supplemental agreement dated 21 May 2007

Party means a party to the Italian Facilities Agreement

Realisations Account means any account maintained from time to time by or in the name of the Chargor for the purposes of clause 14.6 (*Contingencies*) of the Security Agreement with an Account Bank as the Security Agent may from time to time approve and includes any replacement, substitute or additional account of such account from time to time whether by way of transfer of monies, redesignation, renumbering, or otherwise and any sub-account(s) of such account

Receiver means a receiver and manager, an administrative receiver or a receiver in each case appointed under the Security Agreement

Resignation Letter means a letter substantially in the form set out in Schedule 8 (*Form of Resignation Letter*) of the Italian Facilities Agreement

ROW Security Agreements means the two English law security agreements each dated 21 May 2007 and each between MEG Lux 2 as Parent, Bayerische Hypo- und Vereinsbank AG, London Branch as Security Agent and the Chargors identified therein

Secured Italian Creditors means the Finance Parties as defined in the Italian Facilities Agreement

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

Security Accounts means the Collection Accounts and the Realisations Account(s)

Security Assets means all assets, rights, interests, undertaking and property of the Chargor the subject of any security created or expressed to be created by or pursuant to the Security Agreement

Security Document means the Security Agreement, each Deed of Accession and any other document entered into by the Chargor or any Subsidiary of the Chargor pursuant to the Security Agreement and/or clause 30.4 (*Security Providers*) or clause 27.36 (*Further assurance*) of the Italian Facilities Agreement

Security Interest means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, right of set-off, security trust, assignment by way of security, reservation of title, any other security interest or any other agreement or arrangement (including a sale and repurchase arrangement) having the commercial effect of conferring security

Security Period means the period beginning on the date of the Security Agreement and ending on the date on which the Security Agent is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

Security Provider means any person (other than a Finance Party or a Guarantor) which is a party to a Transaction Security Document

Security Shares means the Group Shares, Investments and Member Interests held by the Chargor at the relevant time, together with all Group Share Rights, Investments Rights and Member Interest Rights respectively in respect of such Group Shares, Investments and Member Interests

Selection Notice means a notice substantially in the form set out in Part 3 (*Selection Notice*) of Schedule 3 (*Requests*) of the Italian Facilities Agreement (in accordance with clause 15 (*Interest Periods*) of the Italian Facilities Agreement) in relation to a Term Facility

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and **control** for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise

Syndication Side Letter means the syndication letter dated on or around the date of the Italian Facilities Agreement between, among others, the Original Borrower and the Arranger

Target means Tasmania Holdings Limited, a company incorporated under the law of England with registered number 05377453

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

Term Facility means Facility A or Facility B

Transaction Security Documents means

- (a) each of the documents listed as being a Transaction Security Document in Part 5 (Transaction Security Documents and Security Related Documents to be Delivered by Original Obligors before Initial Utilisation) of Schedule 2 (*Conditions Precedent*) of the Italian Facilities Agreement,
- (b) each of the documents listed in Part 8 (*Transaction Security Documents and Security Related Documents to be Delivered by Acceding Guarantors*) of Schedule 2 (*Conditions Precedent*) of the Italian Facilities Agreement,

- (c) any document required to be delivered to the Facility Agent under paragraph 16 of Part 4 (*Conditions Precedent Required to be Delivered by an Additional Obligor*) of Schedule 2 (*Conditions Precedent*) of the Italian Facilities Agreement, and
- (d) any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents

Utilisation Request means a notice substantially in the relevant form set out in Schedule 3 (*Requests*) of the Italian Facilities Agreement

1.2 General construction

- (a) In construing this Form 395, unless the context otherwise requires
 - (i) the **Facility Agent**, the **Arranger**, any **Finance Party**, any **Issuing Bank**, any **Lender**, any **Obligor**, any **Party**, any **Secured Party**, the **Security Agent** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents,
 - (ii) an **amendment** includes a supplement, novation, restatement or re-enactment and **amended** will be construed accordingly,
 - (iii) **assets** includes present and future properties, revenues and rights of every description,
 - (iv) an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation,
 - (v) **disposal** means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and **dispose** will be construed accordingly,
 - (vi) a **Finance Document** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated,
 - (vii) **guarantee** means (other than in clause 23 (*Guarantee and Indemnity*)) of the Security Agreement any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness,
 - (viii) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
 - (ix) a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing,

Form 395 Continuation Sheet
Tussauds Hotels South Limited
Company Number 5686193
Security Agreement dated 26 June 2008

- (x) a reference to a Party or person includes, as appropriate, its successors, permitted assignees or transferees,
 - (xi) a currency is a reference to the lawful currency for the time being of the relevant country,
 - (xii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation,
 - (xiii) a Finance Document or other document includes (without prejudice to any prohibition on amendments) all amendments however fundamental to that Finance Document or other document, including any amendment providing for any increase in the amount of a facility or any additional facility, and
 - (xiv) a reference to any agreement (including any Finance Document) shall be construed as a reference to that agreement as it may from time to time be amended without giving rise to a breach of that agreement or a Finance Document,
 - (xv) a provision of law is a reference to that provision as extended, applied or amended from time to time and includes any subordinate legislation,
 - (xvi) a time of day is a reference to London time,
 - (xvii) the index to and the headings in the Security Agreement are inserted for convenience only and are to be ignored in construing the Security Agreement,
 - (xviii) words importing the plural include the singular and vice versa,
 - (xix) where a term is defined in the Security Agreement in plural form to mean persons or things a reference to that term in singular form shall be construed as meaning any such person or thing,
 - (xx) a provision obliging the Chargor to refrain from an activity shall be construed as also obliging the Chargor not to enter into or permit to subsist an agreement to perform that activity unless the agreement is subject to a condition which would prevent the Chargor being required to perform the activity in breach of a Finance Document, and
 - (xxi) rights and obligations shall be construed as applying from time to time
- (b) References to **freehold, heritable and leasehold property** include all estates, rights and interests in all freehold and leasehold property and all buildings, structures and Fixtures for the time being on such freehold, heritable and leasehold property
- (c) References to a **mortgage or charge** of any freehold or leasehold property include
- (i) the proceeds of sale of any part of that property to the extent that the Chargor is entitled to the benefit of those proceeds, and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor or any moneys paid or payable in respect of those covenants

(d) **Including, includes** and cognate expressions are to be construed without limitation

2. SECURITY

2.1 Covenant to pay

The Chargor, as primary obligor and not merely as surety, covenants with the Security Agent (as agent and trustee as aforesaid) that it will on demand pay or discharge the Secured Liabilities on the date or dates on which such Secured Liabilities have become due or apply and in the manner provided in the relevant Finance Document

2.2 Interest

Any amount not paid under the Finance Documents (including, without limitation, the Security Agreement) when it has become due shall bear interest (after as well as before judgment or the liquidation or administration of the Chargor, and payable on demand) at the Default Rate from the due date until the date such amount is unconditionally and irrevocably paid and discharged in full, save to the extent that interest at such rate on such amount for such period is charged pursuant to the relevant Finance Document and itself constitutes a Secured Liability

3. CREATION OF FIXED SECURITY

3.1 Fixed security over freehold and leasehold property

The Chargor as continuing security for the payment, discharge and performance of all Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them), charges in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors)

- (a) by way of legal mortgage all the freehold and leasehold property (if any) now belonging to it specified in Part 1 and/or Part 2 of Schedule 2 of the Security Agreement and/or in the schedule to the Deed of Accession by which it became party to the Security Agreement (where relevant), and
- (b) to the extent the same are not the subject of an effective legal mortgage under sub-paragraph 3.1(a) above (but not where that is the case pending registration at the Land Registry only) by way of fixed charge all present and future freehold or leasehold property and any rights under any licence or other agreement or document which gives the Chargor a right to occupy or use property, wheresoever situate now or hereafter belonging to it

A reference in this paragraph 3.1 to a mortgage or charge of any freehold or leasehold property includes

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property, and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants

3.2 Fixed security over Specified Assets

The Chargor as continuing security for the payment, discharge and performance of all Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them), charges absolutely in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors) by way of fixed charge

- (a) (to the extent that they are not Fixtures) all plant, machinery, computers, vehicles, office or other equipment now or in the future owned by it and its interest in any plant, machinery, computers, vehicles, office or other equipment in its possession (but excluding any for the time being part of the Chargor's stock-in-trade or work-in-progress) and the benefit of all contracts, licences and warranties relating to them,
- (b) all moneys (including interest) from time to time standing to the credit of the Security Accounts with any bank, financial institution or other person and the debts represented by them,
- (c) all debts and monetary claims and all rights against third parties in respect of such debts and claims,
- (d) to the extent the same are not effectively assigned under clause 4 (*Assignments*) of the Security Agreement, all rights and benefits
 - (i) in respect of the Insurances and all claims and returns of premiums in respect of such Insurances, and
 - (ii) under each of the Assigned Agreements,
- (e) all of its rights and benefits under all bills of exchange, promissory notes and other negotiable instruments held by it,
- (f) any beneficial interest, claim or entitlement of it to any assets of any pension fund,
- (g) its present and future goodwill,
- (h) its present and future uncalled capital,
- (i) the benefit of all present and future licences, permissions, consents and authorisations (statutory or otherwise) held by it in connection with its business or the use of any of the Security Assets, and
- (j) (to the extent the same are not effectively mortgaged or charged pursuant to clause 3 4 (*Fixed Security over Group Shares/Member Interests*) of the Security Agreement) all Investments and Investment Rights held by it

3.3 Fixed Security over Group Shares/Member Interests

The Chargor as continuing security for the payment, discharge and performance of all the Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them) charges in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors)

- (c) by way of equitable mortgage all Group Shares and Member Interests held by it from time to time and/or any permitted nominee on its behalf,
- (d) (to the extent the same are not the subject of an effective equitable mortgage under sub-paragraph 3 3(a) above) by way of fixed charge all Group Shares and Member Interests held by it from time to time and/or any permitted nominee on its behalf, and
- (e) by way of fixed charge all Group Share Rights and Member Interest Rights accruing to all or any of the Group Shares or Member Interests held now or in the future by it and/or any nominee on its behalf,

provided that

- (i) until the occurrence of a Declared Default, all dividends and other distributions paid or payable as referred to in sub-paragraph 3 3(c) above may be paid directly to the Chargor free from the security created under this paragraph 3 3 (in which case the Security Agent or its nominee shall promptly execute any necessary dividend mandate) and, if paid directly to the Security Agent, shall be paid promptly by it to the Chargor, and
- (ii) subject to clause 7 6 (*Exercise of Group Share Rights/Member Interest Rights*) of the Security Agreement, until the occurrence of a Declared Default, all voting rights attaching to the relevant Group Shares may be exercised by the Chargor or, where the shares have been registered in the name of the Security Agent or its nominee, as the Chargor may direct in writing, and the Security Agent and any nominee of the Security Agent in whose name such Group Shares are registered shall execute any form of proxy or other document reasonably required in order for the Chargor to do so

3.4 Fixed security over Intellectual Property

The Chargor as continuing security for the payment, discharge and performance of all Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them) charges in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors) by way of fixed charge all its present and future Intellectual Property

4. ASSIGNMENTS

The Chargor as continuing security for the payment, discharge and performance of the Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them), and to the extent not effectively assigned under the English law Security Assignment dated 21 May 2007 or the ROW Security Agreements, assigns and agrees to assign to the Security Agent (as agent and trustee for the Secured Italian Creditors) absolutely, all its right, title, interest and benefit (if any) in and to

- (a) the Insurances,
- (b) the Hedging Agreements, and
- (c) (to the extent not effectively charged under clause 3 4 (*Fixed Security over Group Shares/Member Interests*) of the Security Agreement), the Member Interests,

provided that on payment or discharge in full of the Secured Liabilities the Security Agent will at the request and cost of the Chargor re-assign the Assigned Agreements to the Chargor (or as it shall direct)

To the extent that any such right, title and interest is not assignable or capable of assignment, such assignment purported to be effected by clause 4.1 (*Assignments*) of the Security Agreement shall operate as

- (i) in the case of the Insurances, an assignment of any and all proceeds of present or future Insurances received by the Chargor, and
- (ii) in the case of the other Assigned Agreements, an assignment of any and all damages, compensation, remuneration, profit, rent or income which the Chargor may derive from such Assigned Agreements or be awarded or entitled to in respect of such Assigned Agreements,

in each case as continuing security for the payment, discharge and performance of the Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them)

5. FLOATING CHARGES AND NEGATIVE PLEDGE

5.1 Creation of floating charges

The Chargor as continuing security for the payment, discharge and performance of the Secured Liabilities, charges in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors) by way of a floating charge all its undertaking and assets of whatever type and wherever located both present and future, subject always to all mortgages, fixed charges and assignments created by or pursuant to clause 3 (*Fixed Security*) of the Security Agreement and all security assignments created by or pursuant to clause 4 (*Assignments*) of the Security Agreement or any other provision of the Security Agreement not effectively charged by way of fixed charge, including any heritable, leasehold and other property and other assets and undertakings in Scotland

5.2 Restrictions on dealing

The Chargor undertakes to each Secured Italian Creditor that, save as expressly permitted under the terms of the Finance Documents or as otherwise agreed by the Security Agent, it will not

- (a) create or permit to subsist any Security Interest over all or any part of its assets, rights or property or agree to do so other than pursuant to the Security Agreement or any other Security Document, or
- (b) part with, grant or enter into a lease of, sell, transfer, assign or otherwise dispose of (including by way of declaration of trust) all or any part of its assets, rights or property or any interest in them or agree to do so

5.3 Conversion of floating charges

- (a) **By notice:** Subject to the Insolvency Act 1986, and to compliance with any legal formalities required under any local jurisdiction in which property or assets charged under the Security Agreement are situated, the Security Agent may by notice to the Chargor convert the floating charges created by the

Security Agreement into specific charges as regards all or any of the Chargor's assets, rights and property specified in the notice

- (i) if a Declared Default has occurred, or
 - (ii) if the Security Agent in good faith considers such assets, rights or property to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in immediate jeopardy
- (b) **Automatic conversion:** Subject to the Insolvency Act 1986 and sub-paragraph 5 3(c) below and to compliance with any legal formalities required under any local jurisdiction in which property or assets charged under the Security Agreement are situated, the floating charges created by the Security Agreement shall (in addition to the circumstances in which the same will occur under general law) automatically be converted (without any notice) into fixed charges over the assets, rights and property of any Chargor
- (i) if the Chargor fails to comply with clause 5 2 (*Restrictions on dealing*) of the Security Agreement without the prior consent of the Security Agent,
 - (ii) on any meeting of the members or directors of the Chargor resolving a resolution to wind the Chargor up or put the Chargor into administration,
 - (iii) on a resolution being passed or an order being made for the winding-up, dissolution, administration or re-organisation of the Chargor,
 - (iv) on the appointment of a liquidator or an administrator (whether out of court or otherwise) to the Chargor,
 - (v) on any person levying or attempting to levy any distress, execution or other process against any Security Assets,
 - (vi) on the Chargor creating or attempting to create a trust over any of the Security Assets subject to the floating charge granted by the Chargor pursuant to clause 5 1 (*Creation of floating charges*) of the Security Agreement except as permitted under the Italian Facilities Agreement or with the prior written consent of the Security Agent, or
 - (vii) on the holder of any other Security Interest whether ranking in priority to or *pari passu* with or after the charges and security contained in the Security Agreement or the Chargor appointing, or requesting the appointment of, an administrator, an administrative receiver, receiver, manager or receiver and manager in respect of the Chargor
- (c) **Moratorium:** the floating charges created pursuant to clause 5 1 (*Creation of floating charges*) of the Security Agreement may not be converted into fixed charges solely by reason of
- (i) the obtaining of a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium,
- under the Schedule A1 of Insolvency Act 1986

5.4 Qualifying Floating Charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) shall apply to all floating charges created pursuant to the Security Agreement

6. FURTHER ASSURANCES

6.1 General

- (a) The Chargor shall at its own expense execute and do all such assurances, acts and things (including, but not limited to, making all filings and registrations necessary for the creation, perfection, protection or maintenance of any security created or intended to be created by the Security Agreement) as the Security Agent may reasonably require for perfecting or protecting the security intended to be created by the Security Agreement over the Security Assets or any part of the Security Assets or for facilitating (if and when this security becomes enforceable) the realisation of the Security Assets or any part of the Security Assets and in the exercise of all powers, authorities and discretions vested in the Security Agent or any Receiver of the Security Assets or any part of the Security Assets or in any such delegate or sub-delegate as aforesaid, provided that, with respect to any action required in order to perfect any security created or intended to be created by the Security Agreement, it does not have an adverse effect on the ability of the Chargor to conduct its business and operations in the ordinary course as expressly permitted by the Finance Documents
- (b) To that intent, the Chargor shall in particular execute all transfers, conveyances, charges, assignments and assurances of such property whether to the Security Agent or to its nominees and give all notices, orders and directions and make all registrations that the Security Agent may reasonably think expedient

6.2 Further Security

Subject to paragraph 6.3 (*Consents*) below, the Chargor will promptly at the request of the Security Agent

- (a) where provided for in the Security Agreement or in any Finance Document, and/or
- (b) at any time after notifying the Security Agent of the acquisition of any freehold or leasehold property pursuant to clause 9.3(f) (*Acquisitions*) of the Security Agreement, and/or
- (c) at any time after a Declared Default has occurred,

as continuing security for the payment, discharge and performance of all Secured Liabilities at any time owed or due to the Secured Italian Creditors (or any of them) execute a legal mortgage, standard security, charge or assignment in favour of the Security Agent (as agent and trustee for the Secured Italian Creditors) over

- (i) any freehold, heritable or leasehold property and any rights under any licence or other agreement or document which gives the Chargor a right to occupy or use property, wheresoever situate,
- (ii) any book debts or other monetary claims and all documentation or Security Interests relating to them,

(iii) any Security Shares, and/or

(iv) any Intellectual Property,

in each case acquired or entered into (as the case may be) after the date of the Security Agreement, in such form as the Security Agent may require but containing terms no more onerous than those in the Security Agreement provided that the cost of such further security shall not be materially adverse to the relevant Chargor in the opinion of the Facility Agent (acting reasonably)

6.3 Consents

The Chargor shall use reasonable endeavours to procure that any third party consents required to effect a legal mortgage, charge or assignment by way of security of any asset, right, interest, undertaking and/or property (as contemplated in paragraph 6.2 above (Further Security)) are obtained unconditionally prior to (or simultaneously with) the acquisition of such asset, right, interest, undertaking and/or property

6.4 Further Subsidiaries

- (a) The Chargor undertakes to ensure that each member of the Group which is required to give guarantees and grant security pursuant to clause 30.4 (*Security Providers*), clause 30.6 (*Additional Guarantors*) and clause 27.36 (*Further assurance*) respectively of the Italian Facilities Agreement, promptly executes a Deed of Accession substantially in the form set out in Schedule 7 to the Security Agreement and such company shall on the date on which such Deed of Accession is executed by it become a party to the Security Agreement in the capacity of a chargor and the Security Agreement shall be read and construed for all purposes as if such company had been an original party to the Security Agreement as a chargor (but for the avoidance of doubt the security created by such company shall be created on the date of the Deed of Accession). The Security Agent is authorised to agree any amendments or change to the form or manner in which any such member of the Group gives such security which is in the opinion of the Security Agent necessary in order that such security may lawfully be given.
- (b) The Parent shall procure that all registrations or other steps necessary to perfect or protect any security created pursuant to any Deed of Accession are completed promptly after the date of such Deed of Accession and in any event within any applicable time limit stipulated by the Security Agent.
- (c) Any company that becomes a party to the Security Agreement as a chargor pursuant to any Deed of Accession shall also become party to and be bound by the terms of the Intercreditor Agreement as an Obligor, in accordance with the terms of the Intercreditor Agreement.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 5686193
CHARGE NO. 3**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED 26
JUNE 2008 AND CREATED BY TUSSAUDS HOTELS SOUTH
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM ANY OBLIGOR TO ANY SECURED ITALIAN
CREDITOR ON ANY ACCOUNT WHATSOEVER UNDER THE
TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING
OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT
TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE
11 JULY 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 15 JULY 2008



Companies House
— for the record —

PJ



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES