



Registration of a Charge

Company name: **DEVONSHIRE CLUB LIMITED**

Company number: **08869785**

Received for Electronic Filing: **08/06/2018**



X77N484P

Details of Charge

Date of creation: **01/06/2018**

Charge code: **0886 9785 0004**

Persons entitled: **DSC INVESTMENT HOLDINGS LIMITED**

Brief description: **LEASEHOLD PROPERTY AT 4/5 DEVONSHIRE SQUARE, LONDON (TITLE NUMBER AGL399741)**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

KATIE WHELAN



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8869785

Charge code: 0886 9785 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st June 2018 and created by DEVONSHIRE CLUB LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th June 2018 .

Given at Companies House, Cardiff on 12th June 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Date: 1 June 2018

Devonshire Club Limited

as Company

DSC Investment Holdings Limited

as Bondholder

Legal Charge

This legal charge is subject to the terms of an intercreditor deed dated on or about the date of this debenture between The Royal Bank of Scotland plc (as security agent for the Senior Finance Parties (as defined therein)) (1), Lombard Technology Services Limited (2), DSC Investment Holdings Limited (3), Devonshire Club Limited (4) and Devonshire Club (Holdings) Limited (5)

Fieldfisher 5th Floor Free Trade Exchange 37 Peter Street Manchester M2 5GB

**WE HEREBY CERTIFY
THIS TO BE A TRUE
COPY OF THE ORIGINAL**
Fieldfisher 04.06.18

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THIS LEGAL CHARGE is made the 1st day of June 2018

BETWEEN:

- (1) **DEVONSHIRE CLUB LIMITED** a company registered in England (company registration no. 08869785) whose registered office is at Marina Court, Castle Street, Hull HU1 1TU (the "**Company**"); and
- (2) **DSC INVESTMENT HOLDINGS LIMITED** a company registered in Belize (no. 151,962) whose registered office is at 21 Regent Street Belize (the "**Bondholder**").

IT IS AGREED:

1. Definitions and Interpretation

1.1 Definitions

In this Charge unless the context otherwise requires:

"Agreements for Lease" all present and future agreements, contracts, options or undertakings for or in relation to the creation of any estate, interest or right in or over the Property (including, without limitation, in relation to any lease, licence, tenancy or right to occupy whether on a fixed term or periodic basis);

"Bondholders" the holders from time to time of the Bonds;

"Bonds" the Secured Deep Discount Bonds 2020 issued pursuant to the Instrument, or any replacement bonds issued by the Borrower to the Bondholder pursuant to the terms of the Instrument;

"Borrower" Devonshire Club (Holdings) Limited (company number 09476135);

"Business Day" a day (other than a Saturday or a Sunday) on which commercial banks are open for general business in London;

"Charge" means this legal charge and includes any instrument supplemental to or which is expressed to be collateral or entered into pursuant to or in accordance with the terms of this Charge;

"Charged Property" means the property charged by this Charge;

"Encumbrance" means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, preferential right or trust arrangement or other encumbrance, security agreement or arrangement of any kind or any right conferring a priority of payment;

"Enforcement Event" means any of the events or circumstances described in clause 9;

"Environmental Laws" means all laws, directions, regulations, codes of practice, guidance notes, circulars (in the case of guidance notes and circulars having the force of law) and the like concerning the protection of the environment, human health or working conditions, including without limitation the conservation of natural resources, the production, storage, transportation, treatment, recycling or disposal of any waste or any noxious, offensive or dangerous substance or the liability of any person whether civil or criminal for any damage to or pollution of the environment or the rectification thereof or any related matters;

"Environmental Licence" means any permit, licence, authorisation, consent or other approval required by any Environmental Law;

"Expenses" means all fees and legal and other costs, charges and expenses which the Bondholder or any Receiver may charge or incur in relation to the Company or this Charge and/or in relation to the Property and/or breach of any provision of, and the protection, realisation or enforcement of, this Charge in each case on a full indemnity basis;

"Guarantee" the guarantee dated on or about the date of this Charge between the Company and the Bondholder in connection with the liabilities of the Borrower to the Bondholder in respect of the Bonds;

"Instrument" the instrument dated on or about the date of this Charge and made by the Borrower creating the Bonds;

"Intercreditor Deed" the intercreditor deed dated on or about the date of this Charge between The Royal Bank of Scotland plc (as security agent for the Senior Finance Parties (as defined therein)) (1), Lombard Technology Services Limited (2), the Bondholder (3), the Company (4) and the Borrower (5);

"LPA" means the Law of Property Act 1925;

"Permitted Encumbrances" the debenture by the Company in favour of The Royal Bank of Scotland plc dated 15 October 2015 and the debenture by the Company in favour of Lombard Technology Services Limited dated 26 May 2016;

"Property" means the leasehold property at 4/5 Devonshire Square, London (title number AGL399741);

"Receiver" means an administrator, receiver and/or manager (and, if permitted by law, an administrative receiver) and any substitute for any such person and whether appointed under this Charge or pursuant to any statute or otherwise;

"Rental Income" means the gross rents, licence fees and other moneys receivable now or hereafter at any time by the Company in respect of or arising out of any lease of the Property or any agreement for lease or otherwise without limitation derived by the Company from the Property or otherwise paid to or received by the Company in respect of the Property (including without limitation all mesne profits) but save for insurance rents or service charges or the like;

"Secured Liabilities" means all monies owed by the Company to the Bondholder under or in connection with the Guarantee or this Charge.

1.2 Interpretation

In this Charge:

- 1.2.1 references to Clauses are to be construed as references to the clauses of this Charge;
- 1.2.2 references to any provisions of this Charge or to any other document or agreement are to be construed as references to those provisions or that document or agreement as is in force for the time being and as amended, varied, supplemented, substituted or novated from time to time;
- 1.2.3 words importing the singular are to include the plural and vice versa;

- 1.2.4 references to a person are to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or any agency of a state, whether or not, a separate legal entity;
- 1.2.5 references to any person are to be construed to include that person's assigns or transferees or successors in title, whether direct or indirect;
- 1.2.6 references to any statutory provision are to be construed as references to that statutory provision as amended, supplemented, re-enacted or replaced from time to time (whether before or after the date of this Charge) and are to include any orders regulations instruments or other subordinate legislation made under or deriving validity from that statutory provision;
- 1.2.7 Clause headings are for ease of reference only and are not to affect the interpretation of this Charge; and
- 1.2.8 the rights of the Bondholder and the obligations of the Company under or pursuant to this Charge shall be subject in all respects to the provisions of the Intercreditor Deed. If there is any conflict or inconsistency between the provisions of this Charge and the provisions of the Intercreditor Deed, the provisions of the Intercreditor Deed shall prevail.

1.3 Third party rights

Except for the Senior Finance Parties and Lombard (each as defined in the Intercreditor Deed) and except as expressly provided elsewhere in this Charge, a person who is not a party to this Charge shall have no rights to enforce or enjoy the benefit of any term of this Charge under the Contracts (Rights of Third Parties) Act 1999.

2. Covenant to Pay

The Company covenants with the Bondholder that the Company will pay to the Bondholder or discharge all Secured Liabilities on the due date or dates for payment or discharge.

3. Security

3.1 The Company charges to the Bondholder with full title guarantee as continuing security for the payment and discharge of the Secured Liabilities:

3.1.1 by way of legal mortgage the Property;

3.1.2 by way of assignment the Rental Income and the benefit to the Company of all other rights and claims to which the Company is now or may in the future become entitled in relation to the Property including but not limited to all rights and claims of the Company against all persons who now are or have been or may become lessees, sub-lessees, licensees or occupiers of the Property and all guarantors and sureties for the obligations of such persons; and

3.1.3 by way of assignment:

- (a) the benefit of all guarantees, warranties and representations given or made by and any rights or remedies against all or any professional advisers now or at any time engaged by the Company in relation to the Charged Property and the manufacturers, suppliers or installers of all plant, machinery, fixtures, fittings and other items now or from time to time in the buildings erected or to be erected on the Charged Property and any other person firm or company now or from time to time under the contract with or under a duty to the

Company and the benefit of all sums recovered in any proceedings against all or any of such persons;

- (b) the benefit of all Agreements for Lease, all the proceeds of any claim, award or judgment arising out of any Agreement for Lease and all sums paid or payable to the Company under or in respect of any Agreement for Lease;
- (c) all right, title and interest of the Company in and to all payments made under any and all present and future insurance policies in respect of the Charged Property,

provided that nothing in this sub-clause shall constitute the Bondholder as a mortgagee in possession.

3.2 The Company shall promptly on demand and at its own cost execute and do all such assurances, acts and things including without limitation execute all transfers, conveyances, assignments and assurances of the Property and give all notices, orders and directions which the Bondholder may require for perfecting or protecting this Charge or the priority of this Charge or for facilitating the realisation of the Property or the exercise of any of the rights vested in the Bondholder or any Receiver.

4. Restrictions

The Company shall not without the prior written consent of the Bondholder, such consent not to be unreasonably withheld in the case of the grant of a lease of part of the Property:

- (a) create or permit to subsist or arise any Encumbrance or any right or option on the Property or any part thereof. Subject as aforesaid, any mortgage of or charge on the Property created by the Company (otherwise than in favour of the Bondholder) shall be expressed to be subject to this Charge;
- (b) sell, convey, assign or transfer the Property or any interest therein or otherwise part with or dispose of any Property or assign or otherwise dispose of any moneys payable to the Company in relation to the Property or agree to do any of the foregoing;
- (c) exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or accept the surrender of any lease, underlease or tenancy or agree to do any of the foregoing; nor
- (d) part with or share possession or occupation of the Property or any part of it or grant any tenancy or licence to occupy the Property or agree to do any of the foregoing.

5. Representation and Warranties

The Company represents and warrants to the Bondholder (and such representations and warranties shall be deemed to be repeated on each day until all Secured Liabilities are fully and unconditionally paid or discharged) that, save as fairly disclosed (with sufficient explanation and detail to identify clearly the nature and scope of the matters disclosed) in writing to the Bondholder:

- (a) it is the legal and beneficial owner of the Charged Property;
- (b) it has not received notice of any adverse claim by any person in respect of the ownership of the Charged Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Charged Property;

- (c) the Charged Property is free from any Encumbrance other than Permitted Encumbrances and the Encumbrances created by this Charge;
- (d) there is no breach of any law or regulation which materially adversely affects the Charged Property; and
- (e) the entry into this Charge by the Company does not and will not constitute a breach of any agreement or instrument binding on the Company or its assets.

6. Covenants by the Company

The Company covenants with the Bondholder at all times during the continuance of this security:

- (a) to keep the buildings, installations and structures and all fixtures and fittings therein or thereon and other erections from time to time upon the Property in good and substantial repair and condition (fair wear and tear excepted) and protected from damage or deterioration as a result of weather or malicious damage or any other cause;
- (b) to insure and keep insured the Property against loss or damage to its full replacement value from time to time with reputable insurers with the Bondholder's interest noted on the policy provided that where the insurance on the Property is effected by a prior chargee or some other third party the Bondholder shall not require the Company to effect separate insurance on the Property so long as such insurance complies with the provisions of this Clause and is on terms reasonably satisfactory to the Bondholder;
- (c) punctually to pay all premiums (and other moneys) in respect of such insurances and all moneys received under any policy or policies of insurance relating to the Property shall be applied in making good the loss or damage to the Property or, at the option of the Bondholder after the occurrence of an Enforcement Event which is continuing unremedied and unwaived, towards the discharge of the Secured Liabilities and, after repayment of the Company's liabilities to the holders of the Permitted Encumbrances, any such moneys received by the Company shall be held by the Company on trust for the Bondholder accordingly;
- (d) to comply with the terms and conditions of any policy of insurance on the Property or otherwise contemplated by this Clause and not to do or omit to do anything whereby any such insurance may become void or voidable wholly or in part;
- (e) to pay when due all rents, rent charges (if any), rates, taxes, charges, duties, assessments, impositions and other outgoings whatsoever charged, assessed, levied or imposed upon the Property or upon the owner or occupier thereof or payable in respect of the Property;
- (f) to perform and observe all covenants, restrictions, stipulations, provisions, regulations, conditions and agreements affecting the Property or the use or enjoyment of it;
- (g) to permit the Bondholder to enter the Property at all reasonable times on reasonable notice to view the state of repair and condition of the Property;
- (h) on request to produce to or provide for the Bondholder such documents or information relating to the Property or its development as the Bondholder may reasonably require and promptly deliver to the Bondholder a copy of any notice or proceedings served by any person on the Company relating to any Charged Property or alleging any breach of any obligations relating to any Charged Property;

- (i) to comply with all obligations imposed under any statute, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or approvals licences or consents relative to the Property or its use or enjoyment;
- (j) where the Property is subject to any lease, Agreement for Lease or tenancy (referred to below as the "occupational lease"):
 - (i) to perform and observe all covenants and conditions contained in any occupational lease to be observed by the lessor;
 - (ii) to enforce the due observance and performance of all obligations of all other parties to any occupational lease;
 - (iii) not to waive, release or vary any of the terms of any occupational lease, or to accept any surrender of any occupational lease or exercise any power to determine or extend the same or grant any consent or licence or conclude any rent review under the same without, in each case, the consent of the Bondholder which consent is not to be unreasonably withheld or delayed in circumstances in which the Company may not unreasonably withhold or delay its consent;
 - (iv) to keep the Bondholder (and any Receiver appointed by the Bondholder) fully and effectively indemnified from and against all actions, proceedings, costs, charges, claims, demands, expenses and liabilities (including Value Added Tax and any other taxes and/or legal and other professional fees) whatsoever in respect of any breach or non-observance or non-performance of any covenants, obligations warranties or undertakings on the part of the Company contained in this Charge or the making good of any such breach or non-observance or non-performance; and
 - (v) not to prejudice the value nor to do or cause or permit to be done anything which is likely materially to depreciate, jeopardise or otherwise prejudice the value to the Bondholder of the Charged Property.

7. Environmental Matters

The Company covenants with the Bondholder that:

- 7.1 during the continuance of this security the Company shall at all times acquire and maintain all relevant Environmental Licences required by its ownership, use or occupation of the Property and for the conduct of its business and will comply with all terms and conditions relating thereto and with all other applicable Environmental Laws and will not knowingly do or permit any act or omission whereby any such Environmental Licence would be liable to be varied or revoked;
- 7.2 the Company will keep the Bondholder (and every Receiver, attorney, manager, agent and other person duly appointed by the Bondholder hereunder) fully and effectually indemnified from and against all liabilities, losses (including consequential losses), costs, charges and expenses caused wholly or partly, directly or indirectly by:
 - 7.2.1 any liability or potential liability upon the Bondholder and/or any Receiver or other such person(s) to remedy, clean-up or make good any breach, contravention or violation of any Environmental Law by the Company or any harm, actual or potential, to the environment caused directly or indirectly by any release, emission or discharge of any harmful or hazardous material from In or to the Property; and/or

7.2.2 by reason of any breach of clause 7.1 above.

8. Power to Remedy

If the Company fails to perform or observe any covenant or condition in its part contained in this Charge, it shall be lawful for but not obligatory upon the Bondholder in order to make good such failure in whole or in part and at the Company's cost:

- 8.1 to enter upon the Property and effect such repairs and other works thereon as the Bondholder considers necessary; and/or
- 8.2 to insure and keep insured the Property in such amount and in such manner as the Bondholder considers necessary; and/or
- 8.3 to admit, settle, liquidate, compound or contest in such manner as the Bondholder thinks fit any claim or liabilities in relation to the Property whether or not the Bondholder is expressly indemnified in this Charge against the same and to make such payments and expend or debit on account such moneys as the Bondholder considers necessary in that behalf but without thereby becoming mortgagee in possession.

9. Enforcement Events

If any of the following events shall occur then the Secured Liabilities shall become immediately due and payable at any time on demand by the Bondholder (but without prejudice to any other right or remedy of the Bondholder) and the Bondholder shall cease to be under any further obligation to the Company:

- (a) any Event of Default (as defined in the Instrument) occurs; or
- (b) any of the Secured Liabilities are not paid or discharged when the same ought to be paid or discharged by the Company;
- (c) the Company is in breach of any of the covenants or any other provisions of this Charge and either such breach is in the reasonable opinion of the Bondholder not capable of remedy or such breach is in the opinion of the Bondholder capable of remedy and is not remedied within 14 days of notice by the Bondholder requiring such remedy; or
- (d) any representation or warranty made or deemed to be made or repeated by the Company in or pursuant to this Charge is or proves to have been materially untrue or incorrect when made or when deemed to be repeated with reference to the facts and circumstances existing at such time.

10. Enforcement

Section 103 of the LPA shall not apply to this Charge and the statutory powers of sale and appointing a Receiver under Sections 101 and 109 of the LPA (as varied and extended under this Charge) shall arise on the execution of this Charge and shall become immediately exercisable without the restrictions contained in the LPA as to the giving of notice or otherwise at any time after the Bondholder shall have demanded payment of any of the Secured Liabilities or after any breach by the Company of any of the provisions of this Charge or the occurrence of an Enforcement Event.

11. Appointment and Powers of Receiver

- 11.1 At any time and from time to time after the Bondholder shall have demanded payment of any of the Secured Liabilities or after any breach by the Company of any of the provisions of this Charge or the occurrence of an Enforcement Event or if requested by the Company, the Bondholder may appoint by writing any person or persons (whether an officer of the Bondholder or not) to be a Receiver of all or any part of the Property and where more than one Receiver is appointed they may be given power to act either jointly or severally.
- 11.2 The Bondholder may from time to time determine the remuneration of the Receiver and may remove the Receiver and appoint another in his place.
- 11.3 The Receiver shall (so far as the law permits) be the agent of the Company (who shall alone be personally liable for his acts, defaults, omissions and remuneration) and shall have and be entitled to exercise all powers conferred by the LPA and the Insolvency Act 1986 in the same way as if the Receiver had been duly appointed thereunder and in addition to, but without limiting any general powers referred to above (and without prejudice to any of the Bondholder's powers) the Receiver shall have power in the name of the Company or otherwise to do the following things, namely:
- 11.3.1 to take possession of collect and get in all or any part of the Property and for that purpose to take any proceedings as he shall think fit;
- 11.3.2 to commence and/or complete any building operations on the Property and to apply for and obtain any planning permissions, building regulation approvals and any other permissions, consents or licences in each case as he may in his absolute discretion think fit;
- 11.3.3 for the purpose of exercising any of the rights, powers, authorities and discretions conferred on him by or pursuant to this Charge or for any other purpose to borrow moneys from the Bondholder or others on the security of the Property or otherwise on such terms as he may in his absolute discretion think fit;
- 11.3.4 to provide such facilities and services for tenants and generally to manage the Property in such a manner as he shall think fit;
- 11.3.5 to sell, transfer, assign, let or lease or concur in selling, letting or leasing the Property (either by public auction or private contract or otherwise) and the grant of any rights over the Property on such terms and conditions and for such consideration including without limitation shares, securities (of any other company) or other investments payable at such time or times as he may in his absolute discretion think fit;
- 11.3.6 to vary the terms of, terminate, grant renewals of or accept surrenders of leases or tenancies of the Property in such manner and for such terms with or without a premium or other compensation or consideration including the payment of money to a lessee or tenant on a surrender with such rights relating to other parts of the Property and containing such covenants on the part of the Company or otherwise and generally on such terms and conditions as in his absolute discretion he shall think fit;
- 11.3.7 to make any arrangements or compromise which the Bondholder or he shall think fit whether in relation to any lease of the Property or to any covenants, conditions or restrictions relating to the Property or without limitation otherwise;
- 11.3.8 to make and effect all repairs and improvements to the Property;
- 11.3.9 to enter into bonds, covenants, commitments, guarantees, indemnities and like matters and to make all payments needed to effect, maintain or satisfy the same in relation to the Property;

- 11.3.10 to settle adjust refer to arbitration compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Company or relating in any way to the Property;
- 11.3.11 to effect such insurances of or in connection with the Property as he shall in his absolute discretion think fit;
- 11.3.12 to appoint managers, officers, contractors and agents for the aforesaid purposes upon such terms as to remuneration or otherwise as he may determine;
- 11.3.13 to do all such other acts and things as may be considered to be incidental or conducive to any of the matters or powers aforesaid and which he lawfully may or can do.

provided nevertheless that the Receiver shall not be authorised to exercise any of the above powers if and insofar and so long as the Bondholder shall in writing exclude the same whether in or at the time of his appointment or subsequently.

11.4 Any moneys received by the Receiver in the exercise of his powers under this Charge and under general law shall be (so far as the law permits) applied by him (subject always to the provisions of the Enterprise Act 2002) as follows:

- 11.4.1 in payment of the costs, charges and expenses of and incidental to his appointment and the exercise of all or any of his powers;
- 11.4.2 in payment of his remuneration;
- 11.4.3 in payment to the Bondholder of moneys whether for principal, interest or otherwise in arrear or accruing due under this Charge,

and any balance shall be paid to the person or persons entitled to it.

12. Bondholder's Liability

- 12.1 In no circumstances shall the Bondholder be liable to account to the Company as mortgagee in possession or otherwise for any moneys not actually received unconditionally and irrevocably by the Bondholder.
- 12.2 The Bondholder shall be under no obligation to take any steps or institute any proceedings for the recovery of the several debts and moneys hereby charged and in no circumstances shall the Bondholder be liable to the Company or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any realisation of the Property or from any act, default, omission or misconduct of the Bondholder or the Receiver or the officers, employees or agents of either or both of them in relation to the Property or in connection with this Charge except to the extent that they shall be caused by the Bondholder's or (as the case may be) the Receiver's own fraud negligence or wilful misconduct or that of its respective officers or employees.

13. Protection of Third Parties

Any purchaser or any other person dealing with the Bondholder or any Receiver shall not be concerned to enquire whether the Secured Liabilities have become payable or whether any power which it or he is purporting to exercise has become exercisable or whether any money is due under this Charge or as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with the Bondholder or such Receiver. All the protection to

purchasers contained in Sections 104 and 107 of the LPA shall apply to any person purchasing from or dealing with the Bondholder or any Receiver.

14. Powers of Leasing

The statutory powers of sale, leasing and accepting surrenders exercisable by the Bondholder are hereby extended so as to authorise the Bondholder whether in the name of the Bondholder or in that of the Company to grant a lease or leases of the whole or any part or parts of the Property with such rights relating to other parts of it and containing such covenants on the part of the Company and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Bondholder (in its absolute discretion) shall think fit.

15. Power of Attorney

15.1 The Company hereby irrevocably appoints the Bondholder and every Receiver separately to be the attorney of the Company for the Company and in the name and on behalf of the Company and as the act and deed of the Company or otherwise to sign or execute as a deed and otherwise perfect any deed, assurance, agreement, instrument or act which may be required or may be deemed proper for any of the purposes referred to in or otherwise in connection with this Charge. The Company ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed under this Clause properly does or purports to do in the exercise of all or any of the powers, authorities and discretions granted or referred to in this Charge.

15.2 The power of attorney hereby granted is irrevocable and for value as part of the security constituted by this Charge.

16. Bondholder's Rights

16.1 At any time after this Charge becomes enforceable all powers of the Receiver may be exercised by the Bondholder whether as attorney of the Company or otherwise.

16.2 The Company agrees that at any time after the occurrence of an Enforcement Event which is continuing unwaived and unremedied:

16.2.1 upon any sale or other disposition in exercise of the powers contained or implied by this Charge the Bondholder may sever any fixtures from the Property and sell the same apart from the Property without taking possession of the Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Liabilities;

16.2.2 the Bondholder may as agent of the Company remove and sell any chattels on the Property and the net proceeds of sale thereof shall be paid to the Company on demand without interest and the Bondholder shall not have the right to retain or set-off such proceeds of sale against any indebtedness of the Company to the Bondholder;

16.2.3 It shall be lawful for the Bondholder to enter into any arrangement or accept any composition in relation to the debts hereby charged without the concurrence of the Company and any such arrangement or composition shall be binding on the Company.

17. Costs and Expenses

17.1 The Company shall, on demand and on a full indemnity basis, pay to the Bondholder the amount of all costs and expenses (including legal and out-of-pocket expenses and any Value Added Tax on such costs and expenses) which the Bondholder and/or any Receiver incurs in connection with the

preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of, this Charge and any related document.

17.2 Such costs, expenses and other moneys shall be recoverable from the Company as a debt and shall be charged on the Property.

18. Continuing Security

18.1 This Charge shall be a continuing security to the Bondholder notwithstanding any settlement of account or other matter or thing whatsoever and shall be in addition to and shall not prejudice or affect or be prejudiced or affected by any security relating to the Property or to any other property or any other security which the Bondholder may now or at any time in the future hold in respect of the Secured Liabilities or any of them and shall continue in full force and effect as a continuing security until discharged.

18.2 Section 93 of the LPA shall not apply to this Charge.

19. Notices

19.1 Every notice demand or other communication under this Charge shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post or by fax to the address set out at the beginning of this Charge, or to such other address or fax number as may be notified in writing from time to time by the relevant party to the other party.

19.2 Receipt of any notice or other communication given under clause 19.1 shall be deemed to be received:

19.2.1 in the case of a fax, when received in legible form; or

19.2.2 if delivered personally, at the time of delivery; or

19.2.3 in the case of pre-paid first-class post, 48 hours from the time of posting.

19.3 If deemed receipt under clause 19.2 occurs:

19.3.1 before 9:00 am on a Business Day, the notice shall be deemed to have been received at 9:00 am on that day; or

19.3.2 after 5:00 pm on a Business Day, or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.

20. Transfers

20.1 This Charge is assignable or transferable by the Bondholder to any person to whom any Bonds are transferred.

20.2 The Company may not assign or transfer any of its obligations under this Charge or enter into any transaction which would result in any of those obligations passing to another person.

21. Miscellaneous

21.1 No delay or omission on the part of the Bondholder in exercising any right or remedy under this Charge shall impair that right or remedy or operate as or be taken to be a waiver of it; nor shall any

single partial or defective exercise of any such right or remedy preclude any other or further exercise under this Charge of that or any other right or remedy.

- 21.2 The Bondholder's rights under this Charge are cumulative and not exclusive of any rights provided by law and may be exercised from time to time and as often as the Bondholder deems expedient.
- 21.3 Any waiver by the Bondholder of any terms of this Charge, or any consent or approval given by the Bondholder under it, shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.
- 21.4 If at any time any one or more of the provisions of this Charge is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality validity and enforceability of the remaining provisions of this Charge nor the legality validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.

22. Law and Jurisdiction

This Charge is governed by and shall be construed in accordance with English law.

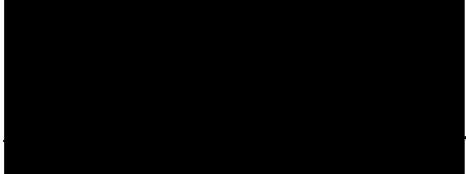
23. Registered Land

The Company hereby applies to the Land Registrar for a restriction in the following terms to be entered on the register of the Company's title to the Property: "No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the proprietors for the time being of the charge dated [•] in favour of DSC Investment Holdings Limited referred to in the charges register, or, if appropriate, signed on such proprietors' behalf by their personal representative/s or any duly authorised signatory or signatories."

EXECUTED as a deed and delivered on the date stated at the beginning of this document.

The Company

EXECUTED as a **DEED** by **DEVONSHIRE CLUB LIMITED** acting by a director in the presence of:

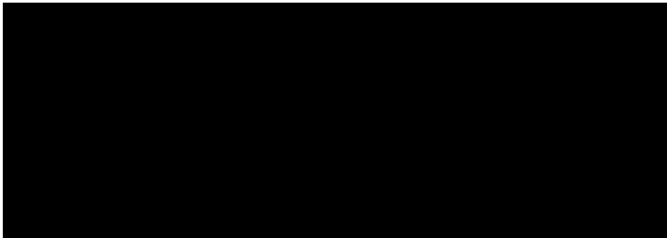


Signature of director

Signature of witness



Print name *ABIGAIL CHAPMAN*



The Bondholder

EXECUTED as a **DEED** by **DSC INVESTMENT HOLDINGS LIMITED** acting by a director in the presence of:

.....

Signature of director

Signature of witness

Print name

Address

.....

.....

Occupation

The Company

EXECUTED as a DEED by DEVONSHIRE CLUB LIMITED acting by a director in the presence of:

.....

Signature of director

Signature of witness

Print name

Address

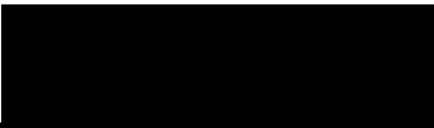
.....

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Occupation

The Bondholder

EXECUTED as a DEED by DSC INVESTMENT HOLDINGS LIMITED acting by a director in the presence of:



Signature of director



Signature of witness

Print name *Assix Tnd*

