

**DATE: 2018**

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**INSTRUMENT CONSTITUTING UP TO £600,000  
10% FIXED RATE UNSECURED GENERATION 4 LOAN NOTES 2023**

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By

**STELLAR DUNDEE HOTEL LIMITED PARTNERSHIP**

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**THIS INSTRUMENT** is made as a deed poll on

2018

**BY STELLAR DUNDEE HOTEL LIMITED PARTNERSHIP**, a limited partnership incorporated in England and Wales under registered number LP015229, whose registered office is at 1 Conduit Street, London, W1S 2XA (the “**LP**”).

**WHEREAS:**

The LP has pursuant to its limited partnership agreement and by a resolution of its limited partners passed on \_\_\_\_\_ created an aggregate principal amount of up to £600,000 10% Fixed Rate Unsecured Generation 4 Loan Notes 2023 to be constituted under this instrument.

**THIS INSTRUMENT WITNESSES** as follows:

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Deed:

“**Business Day**” means a day (other than a Saturday, Sunday or public holiday in England) on which clearing banks in the City of London are open for the transaction of normal sterling banking business;

“**Clear Days**” means, in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“**Conditions**” means the conditions of the Notes substantially in the form set out in Schedule 1 as they may from time to time be modified in accordance with the provisions of this Instrument and any reference in this Instrument to a “**Condition**” shall be construed accordingly;

“**General Partner**” means Stellar Dundee Hotel General Partner Limited or the general partner of the LP for the time being;

“**Instrument**” means this instrument including all the schedules to it as from time to time modified in accordance with its provisions;

“**Intercreditor Deed**” means the intercreditor deed dated 26 March 2013 between (1) The Royal Bank of Scotland plc (2) the Security Trustee (as defined therein) (3) the then existing noteholders of the LP and (4) the LP, as amended in connection with the issue of these Notes;

“**Interest Payment Date**” has the meaning set out in Condition 2;

“**Interest Period**” has the meaning set out in Condition 2;

“**Noteholder**” means a person for the time being entered in the Register as the holder of one or more Notes;

“**Notes**” means:

(a) the aggregate principal amount of £600,000 fixed rate unsecured loan notes originally constituted by this Instrument; and

(b) any further loan notes created or issued pursuant to Clause 2.5,  
and a reference to a “**Note**” is a reference to any one of the issued Notes

“**Register**” means the register of Noteholders referred to in Clause 6; and

“**Special Resolution**” means a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of Schedule 3 by:

- (a) a majority consisting of not less than three-fourths of the persons voting at the meeting upon a show of hands; or
- (b) if a poll is demanded, by a majority consisting of not less than three-fourths of the votes given on the poll

1.2 In this Instrument, a reference to:

1.2.1 a “**subsidiary**” or “**holding company**” is to be construed in accordance with section 1159 of the Companies Act 2006;

1.2.2 a statute or statutory provision includes a reference to that statute or provision as modified, replaced, amended and/or re-enacted before the date of this Instrument and any subordinate legislation made under it before the date of this Instrument;

1.2.3 a person includes a reference to a body corporate, unincorporated association or partnership and to a person’s executors or administrators;

1.2.4 a Clause or Schedule, unless the context otherwise requires, is a reference to a clause of or schedule to this Instrument and a condition, is a reference to one of the Conditions; and

1.3 A Note is “**outstanding**” unless:

1.3.1 it has been redeemed in full under Conditions 3.1 to 3.3 (inclusive) or 3.6 or purchased under Condition 3.4; or

1.3.2 it is held by a person for the benefit of the LP, a subsidiary or holding company for the time being of the LP or a subsidiary for the time being of a holding company of the LP.

1.4 The headings in this Instrument are for convenience only and shall not affect the interpretation of this Instrument.

1.5 “**Pounds**” and “**£**” denote lawful currency of the United Kingdom.

1.6 The Conditions and Schedules shall have effect as if set out in this Instrument.

## **2. CONSTITUTION OF THE NOTES**

2.1 The Notes are called the “10% Fixed Rate Unsecured Generation 4 Loan Notes 2023”.

2.2 The principal amount of the original Notes constituted by this Instrument is limited to £600,000.

2.3 The Notes shall be issued in amounts of £1,000 and integral multiples of £1 thereafter and will constitute unsecured obligations of the LP.

2.4 The LP, acting by the General Partner, may issue the Notes to such persons, at such times and on such terms and conditions as it may decide.

2.5 The LP may from time to time (by resolution of the General Partner) create and issue further Notes so as to form a single series with the original Notes and cancel any Notes created but unissued. Any further Notes shall be constituted by an instrument expressed to be supplemental to this Instrument.

2.6 No application has been or shall be made for a listing for or permission to deal in the Notes on any stock exchange or other securities market.

### **3. INTERCREDITOR**

The Notes shall be subject to the terms of the Intercreditor Deed and shall rank behind the current debt owed by the LP to The Royal Bank of Scotland plc and behind the existing loan notes issued by the LP by means of a loan note instrument dated 26 March 2013.

### **4. REDEMPTION AND INTEREST**

4.1 Subject to the terms of the Intercreditor Deed, as and when a Note is due to be redeemed in accordance with this Instrument and the Conditions, the LP shall pay to the relevant Noteholder the principal amount of the Note to be redeemed at par together with all accrued interest (after deduction of tax required by English law) up to but excluding the date of redemption.

4.2 Subject to the terms of the Intercreditor Deed, until a Note is redeemed in accordance with this Instrument and the Conditions, the LP shall pay to the relevant Noteholder interest (after deduction of tax required by English law) on the principal amount of the Note in accordance with Condition 2.

### **5. CERTIFICATES**

5.1 On becoming a Noteholder a person is entitled without charge to one certificate for the total principal amount of the Notes registered in his name.

5.2 When a Noteholder transfers or has redeemed part of the principal amount of the Notes registered in his name, the old certificate shall be cancelled and the Noteholder shall be entitled without charge to one certificate for the balance of the principal amount retained by him.

5.3 The LP is not bound to:

5.3.1 register more than four persons as joint holders of a Note; and

5.3.2 issue more than one certificate for a Note held jointly by two or more persons and delivery of a certificate to one joint holder is sufficient delivery to all joint holders.

5.4 A certificate shall be:

5.4.1 substantially in the form set out in Schedule 1 and have the Conditions endorsed on it; and

5.4.2 signed by or on behalf of, or executed by, the General Partner on behalf of the LP in accordance with the General Partner's articles of association and the LP's limited partnership agreement for the time being or in such other manner as may be permitted by statute or under the signature of two duly authorised signatories of the General Partner.

5.5 The directors of the General Partner may by resolution (either generally or in any particular case) determine that the signatures required by Clause 5.4.2 shall be affixed by means of some method or system of mechanical signature.

5.6 The Notes are held subject to the Intercreditor Deed and the Conditions, which are binding on the LP, the Noteholders and any person claiming through or under them respectively. The Conditions have effect in the same manner as if they were set out in this Instrument.

### **6. REGISTER**

6.1 The LP shall keep at its registered office a register of Noteholders and enter in it:

6.1.1 the name and address of each Noteholder;

- 6.1.2 the date on which each person was registered as a Noteholder;
- 6.1.3 the principal amount of the Notes held by each Noteholder;
- 6.1.4 the serial number of each certificate issued and the date of its issue; and
- 6.1.5 the date on which a person ceased to be a Noteholder.

6.2 The LP shall enter in the Register each change to the information specified in Clause 6.1.

6.3 A Noteholder may inspect the Register at all reasonable times during office hours and may require, at the LP's cost, a copy of the Register or any part of it. The LP may close the Register during such periods (not exceeding 30 days in total in any year) and at such times as it may decide.

## **7. OBLIGATIONS OF THE LP**

7.1 The LP hereby covenants and agrees with each Noteholder to perform and observe its obligations under this Instrument including, without limitation, Schedule 2 and Schedule 3.

7.2 This Instrument shall enure for the benefit of each Noteholder and a Noteholder may sue for the performance or observance by the LP of its obligations under this Instrument in relation to each Note held by the Noteholder.

## **8. AMENDMENT OF THE INSTRUMENT**

8.1 The LP may (by instrument expressed to be supplemental to this Instrument) from time to time modify, waive or compromise in any respect the provisions of this Instrument and the rights of the Noteholders against the LP on terms previously sanctioned by a resolution in writing executed by or on behalf of Noteholders holding 75 per cent in principal amount of Notes for the time being outstanding pursuant to paragraph 21 of Schedule 3 or by a Special Resolution. Any such amendment shall be binding on all Noteholders whether or not they have consented to such an amendment.

8.2 The LP shall endorse on this Instrument a memorandum of execution of any instrument supplemental to this Instrument.

## **9. THIRD PARTY RIGHTS**

9.1 No term of this Instrument shall be enforceable by any person other than a Noteholder or any person to whom title to any Notes has been transferred or transmitted in accordance with the terms of this Instrument.

## **10. GOVERNING LAW AND JURISDICTION**

10.1 This Instrument, the Notes, any dispute or claim arising out of or in connection with any of them or their subject matter or formation and the relationship between the parties (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law.

10.2 The courts of England shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Instrument or the Notes (respectively, "Proceedings" and "Disputes") and, for these purposes, the LP and each Noteholder irrevocably submit to the jurisdiction of the courts of England.

10.3 The LP and each Noteholder irrevocably waive any objection which they might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to

settle any Disputes and agree not to claim that the courts of England are not a convenient or appropriate forum.

**EXECUTED AS A DEED POLL** by the General Partner for and on behalf of the LP on the date which first appears in this Instrument.

Executed as a deed poll (but not delivered until )  
dated) by **STELLAR DUNDEE HOTEL** ) .....  
**GENERAL PARTNER LIMITED** as the ) Director  
General Partner of **STELLAR DUNDEE** )  
**HOTEL LIMITED PARTNERSHIP**, acting by ) .....  
two Directors or a Director and the Secretary: ) Director/Secretary  
..... )  
and ..... )

**SCHEDULE 1  
CERTIFICATE AND CONDITIONS**

Certificate No \_\_\_\_\_

Amount £ \_\_\_\_\_

**STELLAR DUNDEE HOTEL LIMITED PARTNERSHIP (the “LP”)**

(Incorporated in England and Wales  
under the Limited Partnerships Act 1907 (with registered number LP015229))

**10% FIXED RATE UNSECURED GENERATION 4 LOAN NOTES 2023**

This is to certify that \_\_\_\_\_ is/are the registered holder(s) of £ \_\_\_\_\_ in principal amount of the 10% Fixed Rate Unsecured Generation 4 Loan Notes 2023 (the “Notes”) as constituted by an Instrument (the “Instrument”) dated \_\_\_\_\_ and made as a deed poll by the LP. The Notes are issued with the benefit of and subject to the provisions contained in the Instrument and the conditions endorsed on this certificate (the “Conditions”). Where the context admits, words and expressions defined in the Instrument shall bear the same meanings in the Conditions.

Interest is payable on the Notes in accordance with Condition 2. The Notes are redeemable in accordance with Condition 3.

No application has been made or will be made to any stock exchange for permission to deal in or any official listing or quotation in respect of the Notes.

The Notes are transferable with the consent of the General Partner on behalf of the LP in amounts of £1,000 and integral multiples of £1 thereafter. This certificate must be surrendered before any transfer is registered or any new certificate is issued in exchange.

A copy of the Instrument is available for inspection at the LP’s registered office. Copies may be obtained by any Noteholder on request and payment of the requisite fee.

The Notes represented by this certificate and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law.

Executed as a deed (but not delivered until dated) )  
by **STELLAR DUNDEE HOTEL GENERAL** ) .....  
**PARTNER LIMITED** as the General Partner of ) Director  
**STELLAR DUNDEE HOTEL LIMITED** )  
**PARTNERSHIP**, acting by two Directors or a ) .....  
Director and the Secretary: ) Director/Secretary

## CONDITIONS

### 1. AMOUNT AND STATUS OF THE NOTES

- 1.1 The Notes shall be known as the “10% Fixed Rate Unsecured Generation 4 Loan Notes 2023”.
- 1.2 The maximum aggregate principal amount of the Notes is limited to £600,000.
- 1.3 The Notes are issued, credited as fully paid, and transferable (in accordance with Schedule 2 of the Instrument) in amounts of £1,000 and integral multiples of £1 thereafter.
- 1.4 The Notes constitute direct, general and unconditional unsecured obligations of the LP which shall:
  - 1.4.1 be subject to the terms of the Intercreditor Deed and shall rank behind the current debt owed by the LP to The Royal Bank of Scotland plc and behind the existing loan notes issued by the LP by means of a loan note instrument dated 26 March 2013;
  - 1.4.2 rank equally among themselves; and
  - 1.4.3 at all times rank at least equally with all other future unsecured obligations of the LP, except for those obligations as may be preferred by law.
- 1.5 The Instrument does not contain any restrictions on borrowing, charging or disposing of assets.
- 1.6 None of the Notes shall be offered to the public for subscription or purchase and none of them shall be dealt in on any stock exchange in the United Kingdom or elsewhere and no application shall be made to any stock exchange for permission to deal in, or any official listing or other quotation in respect of, the Notes.

### 2. INTEREST FIXED RATE

- 2.1 Subject to the Intercreditor Deed, interest on the Notes shall accrue and be payable (after deduction of tax if required by English law) on the principal amount of the Notes outstanding quarterly in arrears on 31 March, 30 June, 30 September and 31 December in each year (each an “**Interest Payment Date**”) in respect of the period (an “**Interest Period**”) starting on the previous Interest Payment Date and ending on the day before the next Interest Payment Date. The first interest on the Notes is payable on the first Interest Payment Date following the date of issue of the Notes and is in respect of the period starting on the date of issue of the Notes and ending on the day before that first Interest Payment Date and this period is also called an “**Interest Period**”.
- 2.2 The annual rate of interest on the Notes is 10 per cent.
- 2.3 Interest accrues from day to day and is calculated on the basis of a 365 day year (366 days in a leap year) and the actual number of days elapsed in the Interest Period.
- 2.4 Interest ceases to accrue on a Note as from the due date for redemption of the Note. However if upon due delivery of this certificate in accordance with Condition 6.1, payment of principal on the Note is improperly withheld or refused, interest continues to accrue on the Note at the same rate (as well after as before judgement) up to but excluding the date of payment of all amounts payable in respect of the Note.
- 2.5 The LP shall pay each interest payment (after deduction of tax if required by English law) to the Noteholders on the Register at the close of business on the twenty-eighth day before an Interest Payment Date and a Noteholder is deemed to be the holder on that Interest Payment Date of a Note held by him on the twenty-eighth day before an Interest Payment Date notwithstanding any intermediate transfer or transmission of the Note.

- 2.6 If a payment of interest in respect of the Notes is made without deduction of tax in accordance with section 930 Income Tax Act 2007 (exceptions for payments of interest between companies etc) and the LP subsequently has reason to believe that such payment should have been made subject to deduction on account of tax, the LP shall:
- 2.6.1 notify the holder of the relevant Notes of that fact (giving reasons for its belief) as soon as practicable after becoming aware of the circumstances giving rise to such belief; and
  - 2.6.2 have the right (if the holder of the relevant Notes is unable to satisfy the LP that such payment should have been made without deduction on account of tax) to deduct the relevant tax due in respect of that payment from any future payment (of interest or principal amount) to the holder of the relevant Notes (in addition to any deduction required in respect of that future payment), together with any interest and penalties for which the LP is liable in respect of the tax which was not originally deducted, where such interest and penalties arise as a result of inaccurate information or declarations supplied by the holder of the relevant Notes.

### **3. REDEMPTION**

- 3.1 Subject to the terms of the Intercreditor Deed, unless previously redeemed or purchased, the LP shall redeem the Notes on 31 December 2023 if it is a Business Day or, if it is not, on the immediately succeeding Business Day at par together with accrued interest (after deduction of tax required by English law) up to but excluding that date.
- 3.2 Except where the LP has given a notice pursuant to Conditions 3.3 or 3.6, a Noteholder may require the LP to redeem all of his holding of Notes represented by this certificate at par together with accrued interest upon the occurrence of an event of default described in Condition 4.1 below. To exercise this right, the Noteholder shall give the LP written notice delivered to the LP not less than 30 days after the first time when the Noteholder became aware of the occurrence of the relevant event of default. A notice delivered under this Condition 3.2 is irrevocable. Within 30 days of delivery of the notice to the LP, the LP shall redeem the Note by payment of the principal amount of the Notes together with accrued interest (after deduction of tax if required by English law) up to but excluding that date.
- 3.3 The LP may, at any time, by giving the Noteholders not less than 30 days' written notice, redeem some or all of the outstanding Notes by payment of the principal amount of the Notes together with accrued interest (after deduction of tax, if required by English law) up to but excluding the date when the redemption notice expires.
- 3.4 The LP may at any time purchase Notes at any price by tender (available to all Noteholders alike) or private treaty or otherwise by agreement with the relevant Noteholder.
- 3.5 The LP shall cancel a Note redeemed or purchased and may not reissue or resell that Note.
- 3.6 The LP shall be entitled to redeem the Notes by payment of the principal amount of the Notes on not less than 30 days' prior written notice if interest payable upon the Notes is reasonably expected by the LP to fall to be treated as a distribution for corporate tax purposes.

### **4. EVENTS OF DEFAULT**

- 4.1 Notwithstanding any other provision of this Instrument, each Noteholder shall be entitled by notice in writing to the LP to require all the Notes held by him to be redeemed at the principal amount of the Notes together with accrued interest (after deduction of tax, if required by English

law) up to but excluding the date of redemption on the occurrence and continuation of any of the following events:

- 4.1.1 the passing by the LP of a resolution for its winding up or the making by a court of competent jurisdiction of an order for the winding up of the LP or the dissolution of the LP otherwise than, in each case, for the purposes of a solvent amalgamation or reconstruction or a members' voluntary winding-up on terms previously sanctioned by a Special Resolution (as that term is defined in the Instrument);
  - 4.1.2 the making of an administration order in relation to the LP or the appointment of a receiver, administrator, or administrative receiver over, or the taking possession or sale by an encumbrancer of all or substantially all of the LP's assets and undertaking and such person has not been paid out or discharged within 30 days;
  - 4.1.3 the making by the LP of an arrangement or composition with its creditors generally or the making by the LP of an application to a court of competent jurisdiction for protection of its creditors generally.
- 4.2 Such right shall be exercisable by the Noteholder concerned in the manner described in Condition 3.2 and thereupon such Notes shall immediately become repayable.
- 4.3 At any time after the Notes have become repayable under the provisions of this Condition, any Noteholder may without notice institute proceedings as he may think fit to enforce repayment of the Notes.
- 4.4 The LP shall notify the Noteholders forthwith of the happening of any of the events specified in Condition 4.1.

## **5. DEALINGS**

No application has been or will be made to any stock exchange for the Notes to be listed or dealt in.

## **6. PROCEDURE ON REDEMPTION AND UNCLAIMED MONEYS**

- 6.1 A Noteholder whose Note is due to be redeemed shall, not later than the due date for redemption, deliver to the LP, at the address specified in the redemption notice, the certificate for the Note for cancellation. Upon such delivery and (if the LP so requires) against a receipt for the moneys payable in respect of the Note, the LP shall pay to the Noteholder those moneys.
- 6.2 If the Noteholder referred to in Condition 6.1 fails to comply with Condition 6.1:
- 6.2.1 the LP may pay all amounts payable in respect of the Note into a separate interest-bearing bank account;
  - 6.2.2 the payment of an amount into a bank account does not constitute the LP a trustee in respect of the amount and is deemed for all purposes to be a payment to the Noteholder and the LP is discharged from all obligations in respect of the Note;
  - 6.2.3 the LP is not responsible for the safe custody of the amount or related interest;
  - 6.2.4 the LP is, and the Noteholder is not, entitled to interest accrued on the amount; and
  - 6.2.5 if the amount remains unclaimed after a period of twelve years from the date of payment of the amount into the account, the Noteholder ceases to be entitled to the amount and it then belongs to the LP.

6.3 The LP may invest or otherwise use all unclaimed amounts in respect of a Note until claimed. The payment of an unclaimed amount into a bank account does not constitute the LP a trustee in respect of it. Amounts in respect of interest on a Note which remain unclaimed by the Noteholder for a period of five years and amounts due in respect of principal which remain unclaimed for a period of ten years, in each case from the date on which the relevant payment first becomes due reverts to the LP and the Noteholder ceases to be entitled to the amounts.

## **7. MODIFYING THE TERMS OF THE NOTES**

7.1 Subject to Conditions 7.2 and 8, the provisions of the Instrument and the rights of the Noteholders against the LP may from time to time be modified, waived or compromised in any respect with the sanction of a resolution in writing executed by or on behalf of Noteholders holding 75 per cent in principal amount of Notes for the time being outstanding pursuant to paragraph 21 of Schedule 3 or by a Special Resolution of the Noteholders and with the consent of the LP provided always that no Special Resolution or resolution in writing which would reduce the amount of principal or other amounts payable by the LP upon redemption of the Notes nor which would accelerate the maturity date shall be effective.

7.2 The LP may with the consent of its financial advisers amend the provisions of the Instrument without the sanction or consent of the Noteholders if, in the opinion of the financial adviser to the LP, such amendment would not be materially prejudicial to the interests of Noteholders or is of a formal, minor or technical nature or is otherwise required to correct a manifest error. Any opinion of the financial adviser to the LP in this regard shall be arrived at in its absolute discretion and no liability shall attach to it in respect of its opinion.

## **8. LAWFUL CURRENCY**

8.1 If sterling ceases to be the lawful currency of the United Kingdom and/or more than one currency or currency unit are at the same time recognised by the central bank of the United Kingdom as the lawful currency of the United Kingdom, then this Instrument will be amended to the extent that the LP specifies to be necessary to reflect this change of currency and to put the LP in the same position, so far as possible, that it would have been in if no change in currency had occurred and such amendments will not require the sanction of the Noteholders.

## **9. NOTICES**

9.1 A notice to be given to or by a Noteholder under the Instrument or these Conditions shall be in writing.

9.2 A notice or other document may be given to a Noteholder by the LP either personally or by sending it by post in a pre-paid envelope addressed to the Noteholder at his registered address, or by leaving it at that address (or at another address notified for the purpose) in an envelope addressed to the Noteholder. At the General Partner's discretion, a notice to a Noteholder may also be given via the online client account service operated by Stellar Asset Management pursuant to which information, notices and documents may from time to time be uploaded to a Noteholder's account.

9.3 In the case of joint holders of a Note, a notice or other document shall be given to whichever of them is named first in the Register in respect of the joint holding and notice given in this way is sufficient notice to all joint holders.

9.4 If a Noteholder (or, in the case of joint holders, the person first named in the Register) has a registered address outside the United Kingdom he is not entitled to receive a notice or other

document from the LP unless he has notified the LP of an address in the United Kingdom at which notices or other documents may be given to him in which case he shall be entitled to have notices given to him at that address.

- 9.5 A notice or other document (including certificates for Notes and transfers of Notes) may be served on the LP by sending the same by post in a pre-paid envelope addressed to the LP at the registered office of the LP as the case may be or to such other address in England as the LP may from time to time notify to Noteholders.
- 9.6 A notice or other document addressed to a Noteholder, or the LP at his/its registered address or address for service in the United Kingdom is, if sent by post, deemed to be given within 24 hours after it has been posted if sent by pre-paid first class post and within 48 hours after it has been posted if sent by pre-paid second class post, and in proving service it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted. A notice or document not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- 9.7 A person who becomes entitled to a Note by transmission, transfer or otherwise is bound by a notice in respect of the Note which, before his name is entered in the Register, has been properly served on a person from whom he derives his title.
- 9.8 Where a person is entitled by transmission to a Note, the LP may give a notice or other document to that person as if he were the holder of a Note by addressing it to him by name or by the title of representatives of the deceased or trustee of the bankrupt member (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until an address has been supplied, a notice or other document may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this Condition is sufficient notice to all other persons interested in the Note.

**SCHEDULE 2**  
**PROVISIONS AS TO REGISTRATION, TRANSFER, ETC**

**1. TRUSTS NOT RECOGNISED**

Except as ordered by a court of competent jurisdiction or as required by law, the LP shall not recognise a person as holding a Note on trust and is not bound by or otherwise compelled to recognise (even if it has notice of it) an equitable, contingent, future, partial or other claim to or interest in a Note other than an absolute right in the holder to the whole of the Note.

**2. RECOGNITION OF NOTEHOLDER**

The LP shall recognise a Noteholder as entitled to his Note free from any equity, set-off or counter-claim on the part of the LP against the original or an intermediate holder of the Note.

**3. ENCUMBRANCES AND TRANSFERS**

3.1 Except with the prior written consent of the General Partner, a Noteholder shall not create or allow to be created by any means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, retention of title arrangement or other third party right, interest or claim of any kind (an “**Encumbrance**”) in respect of any of the Notes. Any Encumbrance created in breach of this clause shall be of no effect in relation to the LP.

3.2 Subject to the prior written consent of the General Partner, a Noteholder may transfer his Note or any part (being an amount or integral multiple of £1) by instrument of transfer in writing in any usual form or in another form approved by the General Partner, and the instrument shall be executed by or on behalf of the transferor.

3.3 The transferor is deemed to remain the holder of the Note until the name of the transferee is entered in the Register in respect of it.

3.4 The General Partner may, in its absolute discretion and without giving a reason, refuse to register the transfer of a Note. No request for a transfer of a Note shall be presented to the General Partner unless all of the following conditions are satisfied:

3.4.1 the relevant transfer instrument only includes Notes created pursuant to this Instrument and no other loan notes, shares or other assets;

3.4.2 no redemption notice in respect of the Note has been given by the LP pursuant to Conditions 3.3 or 3.6;

3.4.3 it is in favour of a single transferee or not more than four joint transferees; and

3.4.4 it is delivered for registration to the LP’s registered office or such other place as the General Partner may decide, accompanied by the certificate for the Note to which it relates and such other evidence as the General Partner may reasonably require to prove the title to the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so. If the General Partner decides that transfers may be left at a place other than the LP’s registered office, the LP shall notify the Noteholders of the address of that place.

3.5 If the General Partner refuses to register the transfer of a Note it shall, within two months after the date on which the transfer was lodged with the LP, send notice of the refusal to the transferee. An instrument of transfer which the General Partner refused to register shall (except in the case

of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may be retained by the LP.

3.6 The LP may not charge a fee for registering the transfer of a Note or other document relating to or affecting the title to a Note or the right to transfer it or for making any other entry in the Register.

3.7 The registration of transfers may be suspended at any time when the Register is closed for inspection.

#### **4. TRANSMISSION OF NOTES**

4.1 The LP may recognise only the personal representatives of a deceased Noteholder as having title to a Note held by that Noteholder alone or to which he alone was entitled. In the case of a Note held jointly by more than one person, the LP may recognise only the survivor or survivors as being entitled to it.

4.2 Nothing in this Instrument releases the estate of a deceased Noteholder from liability in respect of a Note which has been solely or jointly held by him.

4.3 A person becoming entitled by transmission to a Note may, on production of any evidence the General Partner may require, elect either to be registered as a Noteholder or to have a person nominated by him registered as a Noteholder. If he elects to be registered himself, he shall give notice to the LP to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the Note to that person. All the provisions of this Instrument relating to the transfer of Notes apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the Noteholder and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.

4.4 The General Partner may give notice requiring a person to make the election referred to in paragraph 4.3 of this Schedule. If that notice is not complied with within 60 days the General Partner may withhold payment of principal moneys, interest and all other amounts payable in respect of the Note until notice of election has been made.

4.5 Where a person becomes entitled by transmission to a Note, the rights of the deceased Noteholder in relation to the Note cease. The person entitled by transmission may, however, give a good discharge for principal moneys, interest and other amounts payable in respect of the Note and, subject to paragraphs 4.3, 4.4 and 6.4 of this Schedule, has the rights to which he would be entitled if he were the registered holder of the Note. The person entitled by transmission is not, however, before he is registered as the holder of the Note, entitled in respect of it to receive notice of or exercise rights conferred by being a Noteholder in relation to meetings of the Noteholders.

#### **5. REPLACEMENT CERTIFICATES**

Where a Note certificate is worn out, defaced, lost or destroyed, the General Partner may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional costs incurred by the LP in the investigation of that evidence and the preparation of that indemnity and security as the General Partner may decide, and no surrender of the original certificate (where it is worn out or defaced).

#### **6. PAYMENT OF AMOUNTS IN RESPECT OF NOTES**

6.1 The LP may pay principal moneys, interest or any other amount payable in respect of a Note in cash or by cheque, warrant or money order, or by a bank or other funds transfer system, or by

such other method as the holder or joint holders of the Note in respect of which the payment is made (or the person or persons entitled by transmission to the Note) may in writing direct. The holder, a joint holder or other person jointly entitled to a Note may give an effective receipt for principal moneys, interest or other amount paid in respect of the Note.

- 6.2 The LP may send a cheque, warrant or order by post:
  - 6.2.1 in the case of a sole holder, to his registered address;
  - 6.2.2 in the case of joint holders, to the registered address of the person whose name stands first in the Register;
  - 6.2.3 in the case of a person or persons entitled by transmission to a Note, as if it were a notice given in accordance with Condition 9.8; or
  - 6.2.4 in any case, to a person and address that the person or persons entitled to the payment may in writing direct.
- 6.3 Every cheque, warrant or order is sent at the risk of the person entitled to the payment and shall be made payable to the order of the person or persons entitled. The payment of the cheque, warrant or order is a good discharge to the LP. If payment is made by a bank or other funds transfer, or by another method at the direction of the holder or holders or other person or persons entitled, the LP is not responsible for amounts lost or delayed in the course of the transfer or in carrying out those directions.
- 6.4 The General Partner may withhold payment of principal moneys, interest and all other amounts payable to a person entitled by transmission to a Note until he has provided any evidence of his right that the General Partner may reasonably require.
- 6.5 If the due date for payment of an amount in respect of a Note is not a Business Day, the Noteholder is not entitled to payment of the amount until the next following Business Day and is not entitled to any further interest or other payment in respect of the resulting delay in payment.

**SCHEDULE 3**  
**PROVISIONS AS TO MEETINGS OF NOTEHOLDERS**

**1. CONVENING OF MEETINGS**

- 1.1 The LP may at any time convene a meeting of the Noteholders.
- 1.2 The LP shall convene a meeting of the Noteholders immediately on receipt of a requisition from Noteholders holding at the date of the deposit of the requisition a majority in principal amount of the Notes outstanding as at that date.
- 1.3 The requisition:
- 1.3.1 shall state the objects of the meeting;
  - 1.3.2 shall be signed by the requisitionists and deposited at the LP's registered office; and
  - 1.3.3 may consist of several documents in like form each signed by one or more requisitionists.
- 1.4 A meeting is to be held at the registered office of the LP for the time being or such other place in the United Kingdom as the LP may specify.

**2. LENGTH AND FORM OF NOTICE**

- 2.1 A meeting convened for the passing of a Special Resolution shall be called by not less than 21 clear days' notice. All other meetings shall be called by not less than 14 clear days' notice.
- 2.2 The notice of meeting shall specify:
- 2.2.1 the place, date and time of the meeting;
  - 2.2.2 the general nature of the business to be transacted at the meeting but, except for a resolution to be proposed as a Special Resolution, the terms of a resolution to be proposed need not be specified; and
  - 2.2.3 with reasonable prominence, that a Noteholder entitled to attend and vote may appoint one or more proxies to attend and, on a poll, vote instead of the Noteholder and that a proxy need not also be a Noteholder.
- 2.3 The accidental omission to send a notice of meeting or, in cases where it is sent out with the notice, an instrument of proxy to, or the non-receipt of either by a Noteholder does not invalidate the proceedings at a meeting.

**3. QUORUM**

- 3.1 No business may be transacted at a meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with paragraph 5 of this Schedule, which is not treated as part of the business of the meeting.
- 3.2 The quorum for a meeting convened for the purpose of passing a Special Resolution is two or more Noteholders holding or representing by proxy a majority in principal amount of the Notes outstanding at the date of the meeting. The quorum for a meeting convened for any other purpose is two or more Noteholders holding or representing by proxy one-tenth in principal amount of the Notes outstanding at the date of the meeting.

#### **4. PROCEDURE IF QUORUM NOT PRESENT**

- 4.1 If a quorum is not present within five minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of the meeting or if during the meeting a quorum ceases to be present, the meeting:
- 4.1.1 if on the requisition of the Noteholders, is dissolved; or
  - 4.1.2 in any other case, stands adjourned to such time (being not less than 14 days nor more than 28 days later) and place as the chairman (or, in default, the General Partner) may decide.
- 4.2 At an adjourned meeting the quorum is the Noteholders present in person or by proxy, whatever the principal amount of the Notes held by them. If a quorum is not present within five minutes (or such longer period as the chairman in his absolute discretion may decide) from the time fixed for the start of the meeting or if during the meeting a quorum ceases to be present, the adjourned meeting is dissolved.
- 4.3 The LP shall give not less than seven clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall comply with paragraph 2.2 of this Schedule and state the quorum requirement.

#### **5. CHAIRMAN**

- 5.1 A person nominated by the LP shall preside as chairman at a meeting.
- 5.2 The Noteholders present at the meeting shall select one of their number to be chairman if:
- 5.2.1 no person has been nominated by the LP; or
  - 5.2.2 at the meeting, the person nominated by the LP is either not present within fifteen minutes after the time fixed for the start of the meeting or not willing to act.

#### **6. RIGHT TO ATTEND AND SPEAK**

The General Partner or a person authorised by the General Partner may attend and speak at a meeting whether or not he is a Noteholder.

#### **7. POWER TO ADJOURN**

- 7.1 The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for an indefinite period.
- 7.2 Without prejudice to any other power which he may have under the provisions of this Schedule or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:
- 7.2.1 secure the proper and orderly conduct of the meeting;
  - 7.2.2 give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
  - 7.2.3 ensure that the business of the meeting is properly disposed of.

## **8. NOTICE OF ADJOURNED MEETING**

Without prejudice to paragraph 4.3 of this Schedule, whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least seven clear days' notice specifying the place, the date and the time of the adjourned meeting and the general nature of the business to be transacted shall be given to the Noteholders and the General Partner. Except in these circumstances and subject to paragraph 4.3 of this Schedule, it is not necessary to give notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

## **9. BUSINESS AT ADJOURNED MEETING**

No business may be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

## **10. METHOD OF VOTING**

- 10.1 At a meeting, a resolution put to the vote of the meeting is decided by a show of hands unless (before or on the declaration of the result of the show of hands) a poll is duly demanded.
- 10.2 A poll may be demanded by the chairman of the meeting or a Noteholder or Noteholders present in person or by proxy representing in total not less than one-twentieth in principal amount of the Notes outstanding at the date of the meeting.
- 10.3 A demand by a proxy is deemed to be a demand by the Noteholder appointing the proxy.
- 10.4 Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

## **11. PROCEDURE ON A POLL**

- 11.1 If a poll is properly demanded, it shall be taken in such manner as the chairman may direct. He may appoint scrutineers, who need not be Noteholders, and may fix a time and place for declaring the result of the poll. The result of the poll is deemed to be the resolution of the meeting at which the poll is demanded.
- 11.2 A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time and place as the chairman may decide, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- 11.3 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 11.4 The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand had not been made.
- 11.5 The demand for a poll (other than on the election of the chairman or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.

- 11.6 On a poll, votes may be given in person or by proxy and a Noteholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

## **12. VOTES OF NOTEHOLDERS**

- 12.1 At a meeting every Noteholder present in person has on a show of hands one vote and every Noteholder present in person or by proxy or (being a body corporate) is present by its representative duly authorised in accordance with paragraph 17 of this Schedule has on a poll one vote for every £1 in principal amount of the Note or Notes of which he is the holder.
- 12.2 In the case of joint holders of a Note, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority is determined by the order in which the names of the holders stand in the Register.

## **13. CASTING VOTE**

In the case of an equality of votes the chairman has, on a show of hands and on a poll, a casting vote in addition to any vote(s) to which he is entitled as a Noteholder or as a proxy, or as a representative.

## **14. VOTING BY PROXY**

- 14.1 An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the General Partner) executed by the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.
- 14.2 An instrument of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit.
- 14.3 A proxy need not be a Noteholder.
- 14.4 A Noteholder may appoint more than one proxy to attend on the same occasion. When two or more valid but differing instruments of proxy are delivered for the same Note for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that Note.
- 14.5 Deposit of an instrument of proxy does not prevent a Noteholder attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- 14.6 An instrument of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An instrument of proxy is valid for 12 months from the date of execution.
- 14.7 The LP may send an instrument of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent, the instrument of proxy shall provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting.

## **15. DEPOSIT OF PROXY**

- 15.1 An instrument of proxy, and (if required by the General Partner) a power of attorney or other authority under which it is executed or a copy of it notarially certified or certified in some other way approved by the General Partner, shall be:

- 15.1.1 deposited at the LP's registered office, or another place in the United Kingdom specified in the notice convening the meeting or in an instrument of proxy or other accompanying document sent by the LP in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the instrument of proxy proposes to vote;
- 15.1.2 in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, deposited as required by paragraph 15.1.1 of this Schedule not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll; or
- 15.1.3 in the case of a meeting adjourned for less than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it was demanded, delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the secretary or to a director of the LP.
- 15.2 An instrument of proxy not deposited or delivered in accordance with paragraph 15.1.1 of this Schedule is invalid.

## **16. WHEN VOTES BY PROXY VALID THOUGH AUTHORITY REVOKED**

A vote given or poll demanded by a proxy or authorised representative of a company is valid despite termination of his authority unless notice of termination is received by the LP at its registered office (or other place specified for depositing the instrument of proxy) at least one hour before the time for holding the meeting or adjourned meeting at which the vote is given or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

## **17. CORPORATE REPRESENTATIVE**

A body corporate which is a Noteholder may, by resolution of its directors or other governing body, authorise a person (the "representative") to act as its representative at a meeting of Noteholders. The representative may exercise on behalf of the body corporate (in respect of that part of its holding of Notes to which the authorisation relates) those powers that the body corporate could exercise if it were an individual Noteholder. The body corporate is for the purposes of this Schedule deemed to be present in person at a meeting if the representative is present. Each reference to attendance and voting in person is to be construed accordingly. The General Partner or the secretary of the LP or other person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

## **18. OBJECTIONS TO AND ERROR IN VOTING**

No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman and only invalidates the result of the voting if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman is conclusive and binding on all concerned.

## **19. AMENDMENTS TO RESOLUTIONS**

If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by an error in his ruling.

## **20. SPECIAL RESOLUTIONS**

20.1 In addition to any other power, a meeting of Noteholders may by Special Resolution and with the consent of the LP sanction any modification, abrogation, variation, waiver or compromise or arrangement in any respect of:

20.1.1 the provisions of this Instrument; or

20.1.2 the rights of the Noteholders against the LP, whether those rights arise under this Instrument or otherwise.

20.2 Without limiting paragraph 20.1 of this Schedule, the Noteholders have power to sanction in accordance with paragraph 20.1 of this Schedule:

20.2.1 an agreement for postponing or advancing the time for the payment of principal moneys or interest payable in respect of the Notes;

20.2.2 an agreement for reducing the rate of interest or for the capitalisation of any interest;

20.2.3 an agreement for the exchange of Notes for, or conversion of Notes into, other securities of the LP or another company; and

20.2.4 a matter which under the provisions of this Instrument is required to be sanctioned by Special Resolution.

20.3 A Special Resolution is binding upon each Noteholder whether or not present at the meeting and each Noteholder is bound to give effect to the Special Resolution.

## **21. NOTEHOLDERS' WRITTEN RESOLUTIONS**

A resolution in writing sent to all Noteholders and executed by or on behalf of Noteholders holding 75 per cent. in principal amount of Notes for the time being outstanding who would have been entitled to vote upon it if it had been proposed at a meeting at which they were present shall for all purposes be as valid and effective as if it had been passed as a Special Resolution at a meeting duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more Noteholders. If the resolution in writing is described as a Special Resolution, it has effect accordingly.

## **22. MINUTES OF MEETINGS**

22.1 The LP shall cause minutes of all proceedings of meetings of the Noteholders to be entered in books kept for that purpose.

22.2 A minute, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next meeting, is conclusive evidence of the proceedings and unless the contrary is proved, the meeting is deemed to have been duly held and convened and all proceedings had at the meeting to have been duly had.

**23. CONSENT OF THE LP**

Notwithstanding anything in this Instrument to the contrary, no resolution shall be effective which would increase any obligation of the LP under the Instrument without the written consent of the LP.