



Registration of a Charge

Company name: **ATR OFFSHORE GROUP LIMITED**

Company number: **SC403892**

Received for Electronic Filing: **02/08/2016**



X5CJB03M

Details of Charge

Date of creation: **27/07/2016**

Charge code: **SC40 3892 0008**

Persons entitled: **WELLS FARGO TRUST CORPORATION LIMITED (AS SECURITY AGENT)**

Brief description:

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: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 403892

Charge code: SC40 3892 0008

The Registrar of Companies for Scotland hereby certifies that a charge dated 27th July 2016 and created by ATR OFFSHORE GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd August 2016 .

Given at Companies House, Edinburgh on 3rd August 2016

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

DATED 27 JULY 2016

(1) THE CHARGORS

and

(2) WELLS FARGO TRUST CORPORATION LIMITED
(AS PRINCIPAL SECURITY AGENT)

DEBENTURE

THIS DEED is made on 27 July 2016

BETWEEN:-

- (1) **THE COMPANIES** whose names and details are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "Chargor" and together the "Chargors"); and
- (2) **WELLS FARGO TRUST CORPORATION LIMITED** incorporated in England (Registered Number 04409492) whose registered office is at One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD as Principal Security Agent under and as defined in the Facilities Agreement and its successor(s) as such Principal Security Agent (the "Principal Security Agent")

THIS DEED WITNESSES as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Account" means any account opened or maintained by any Chargor at any bank or financial institution

"Acquisition Documents" means:

- (a) the contribution agreement dated on or around the date of this Deed between Centurion 1 Limited and the Centurion 2 Limited in relation to the transfer of shares/stock in each of Centurion Acquisition Limited, Jacks Winches Holdings Pty Ltd and Dampier Subsea Corp.;
- (b) the contribution agreement dated on or around the date of this Deed between Centurion 1 Limited and Centurion 2 Limited in relation to the transfer of shares in ATR Offshore Holdings Limited from the Centurion 1 Limited to Centurion 2 Limited

"Charged Property" means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the security created in favour of the Principal Security Agent by or pursuant to this Deed

"Company" has the meaning given in the Facilities Agreement

"Declared Default" means an Event of Default in respect of which any notice has been issued or rights exercised by the Agent pursuant to Clause 26.19 (*Acceleration*) of the Facilities Agreement

"Deed of Accession" means a deed substantially in the form of Schedule 3 (*Deed of Accession*) executed, or to be executed, by a person becoming a Chargor

"Default Rate"	means the rate of interest applicable under Clause 12.3 (<i>Default interest</i>) of the Facilities Agreement
"Facilities Agreement"	means the senior term loan and revolving facilities agreement dated on or around the date of this Deed entered into among the Chargors and others (as Borrowers and Guarantors), Wells Fargo Bank, N.A., London Branch, HSBC Bank plc and Clydesdale Bank plc as Arrangers and Original Lenders, Wells Fargo Bank International as Agent, Wells Fargo Trust Corporation Limited as Principal Security Agent and Capita Trust Company Limited as Shares Security Agent as amended, supplemented, novated, extended or restated from time to time;
"Fixed Plant and Equipment"	means all plant, machinery or equipment of each Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building
"Fixtures"	means all things of any kind now or at any time affixed to land for any purpose, including, without limitation, trade and tenants fixtures
"Insurances"	means all policies of insurance or assurance and all proceeds of them either now or in the future held by, or written in favour of, a Chargor, or in which it is otherwise interested and any policy of insurance or assurance referred to in a Deed of Accession but excluding any third party liability or public liability insurance and any directors and officers insurance
"Intellectual Property"	means any of the following (in each case whether registered or unregistered):- <ul style="list-style-type: none"> (a) any intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any invention, copyright, design right or performance right; (c) any trade secrets, know-how and confidential information; and (d) the benefit of any agreement or licence for the use of any such right
"Intra-Group Loan Agreements"	means any loan agreement between the Company and any other Chargor
"Land"	means any estate, right or interest in or over land, whether legal or equitable, and wherever the land is situated including, without limitation, any buildings and Fixtures on land, and the benefit of any covenants or

	rights owed to any person or enforceable by him by virtue of the ownership possession or occupation of land but for these purposes " Land " excludes heritable property situated in Scotland
"Loose Plant and Equipment"	means, in relation to each Chargor, all plant, machinery, equipment and motor vehicles now or at any time owned by such Chargor as a capital asset which is not Fixed Plant and Equipment
"LPA"	means the Law of Property Act 1925
"Monetary Claims"	means all book and other debts and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, sums due under the Intra-Group Loan Agreements and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt.
"Notice of Assignment"	means, unless otherwise agreed with the Lender:- <ul style="list-style-type: none"> (a) in respect of the Insurance, a notice of assignment substantially in the form set out in Schedule 4 (<i>Form of Notice of Assignment of Insurance</i>); and (b) in respect of the Acquisition Documents, a notice of assignment substantially in the form set out in Schedule 5 (<i>Form of Notice of Assignment of Acquisition Documents</i>).
"Party"	means a party to this Deed
"Regulations"	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/2336) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and " Regulation " means any of them
"Related Rights"	means in relation to any Charged Property: <ul style="list-style-type: none"> (a) the proceeds of sale of any part of that Charged Property; (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property; (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property; and (d) any moneys and proceeds paid or payable in respect of that Charged Property

"Secured Liabilities"	means all monies, liabilities and obligations, whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, cautioner, surety or otherwise, which are now or may at any time hereafter (whether before or at any time after demand) be or become due in any manner by any Chargor to the Secured Parties under the Finance Documents
"Secured Parties"	has the meaning given in the Facilities Agreement
"Securities"	means all the right, title and interest of a Chargor, now or in the future, in any:- <ul style="list-style-type: none"> (a) stocks, shares, bonds, debentures, loan stocks, or other securities issued by any person; (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, debentures, loan stocks or other securities or investments issued by any person; and (c) units or other interests in any unit trust or collective investment scheme, other than the Shares
"Security Period"	means the period beginning on the date of this Deed and ending on the date on which: <ul style="list-style-type: none"> (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and (b) the Secured Parties have no further commitment, obligation or liability under or pursuant to the Finance Documents
"Shares"	means all of the shares in the capital of each of the companies specified in Schedule 2 (<i>Details of Shares</i>) and any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time, or any shares referred to in any Deed of Accession, in each case held by, to the order of or on behalf of, any Chargor at any time

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement, shall have the same meanings in this Deed.

1.3 Interpretation

To the extent applicable, the principles of interpretation set out in Clause 1.2 (*Construction*) of the Facilities Agreement shall apply to this Deed.

1.4 Conflict

If there is any conflict between the provisions of this Deed and the provisions of the Facilities Agreement, the provisions of the Facilities Agreement shall prevail.

1.5 Acknowledgement

Each Party herein acknowledges that the Principal Security Agent is party to this Deed solely to take the benefit of this Deed. This Deed does not impose any additional obligations and duties on the Principal Security Agent other than as expressly provided for in this Deed. In the event of a conflict between the terms of this Deed and the Facilities Agreement in relation to the duties and obligations of the Principal Security Agent, the terms of the Facilities Agreement shall prevail.

1.6 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Principal Security Agent.

1.7 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.8 Third party rights

1.8.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.

1.8.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will pay and discharge the Secured Liabilities when the same become due for payment or discharge in accordance with the Facilities Agreement and the other Finance Documents.

3. CHARGES

3.1 Mortgages and Fixed Charges

As a continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Principal Security Agent all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land now vested in any Chargor;

3.1.2 by way of first fixed charge all Land acquired by any Chargor after the date of this Deed;

3.1.3 by way of equitable mortgage or (if or to the extent that this Deed does not take effect as a mortgage) by way of first fixed charge, the Shares;

3.1.4 by way of first fixed charge:-

- (a) the Securities;
- (b) the Intellectual Property;
- (c) the Monetary Claims;
- (d) the Fixed Plant and Equipment;
- (e) the Loose Plant and Equipment;
- (f) the Accounts;
- (g) the Related Rights under or in connection with the Shares, the Securities, the Intellectual Property, the Monetary Claims, the Fixed Plant and Equipment, the Loose Plant and Equipment and the Accounts;
- (h) to the extent not assigned or effectively assigned by Clause 3.3 (*Assignments*), the Insurances, Acquisition Documents and all Related Rights in respect of the same; and
- (i) its present and future goodwill and uncalled capital.

3.2 **Floating Charge**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor (except for Centurion Acquisition Limited and any other Chargor incorporated in Scotland) with full title guarantee charges to the Principal Security Agent by way of first floating charge the whole of such Chargor's undertaking and assets, present and future and wherever situated (including, without limitation, any heritable property situated in Scotland), which are not for any reason effectively charged or assigned (whether in law or equity) by way of fixed security by this Deed.

3.3 **Assignments**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns absolutely in favour of the Principal Security Agent, but subject to the right of such Chargor to redeem such assignment upon the full payment or discharge of the Secured Liabilities, its right, title and interest from time to time in each of the following assets:

3.3.1 the Insurances; and

3.3.2 the Acquisition Documents,

together with all Related Rights in respect of such Charged Property, provided that each Chargor is entitled until the occurrence of an Event of Default to exercise all rights assigned under this Clause 3.3 (*Assignments*) (subject to the terms of the Finance Documents) and the Principal Security Agent will reassign any such rights to the extent necessary to enable such Chargor to do so.

3.4 **Trust**

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the relevant Chargor shall hold it on trust for the Principal Security Agent.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.6 Restrictions on creation of Security

If security cannot be created in respect of any asset of any Chargor without the consent of any third party:

- 3.6.1 the relevant Chargor must notify the Principal Security Agent promptly upon becoming aware of the same;
- 3.6.2 this Deed shall not create any security in respect of that asset except to the extent permitted without the consent of any third party but will secure all amounts which the relevant Chargor may receive in respect of that asset;
- 3.6.3 unless the Principal Security Agent otherwise agrees, the relevant Chargor must use reasonable endeavours to obtain the consent of the third party to the creation of security over that asset pursuant to this Deed; and
- 3.6.4 on and from the date on which such consent is obtained, the security created by this Deed shall extend to and include that asset.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

The Principal Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:-

- 4.1.1 a Declared Default has occurred; or
- 4.1.2 the Principal Security Agent considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process.

4.2 Crystallisation: Automatic

The floating charge created by Clause 3.2 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to the floating charge if:-

- 4.2.1 any Chargor creates or attempts to create any Security (other than Permitted Security) over any of the Charged Property; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property.

4.3 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.2 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- 4.3.1 the obtaining of a moratorium; or
- 4.3.2 anything done with a view to obtaining a moratorium,

under Schedule A1 to the Insolvency Act 1986.

5. PERFECTION OF SECURITY

5.1 Notice of Assignment

5.1.1 The Chargors shall:

- (a) in respect of the Acquisition Documents, promptly following the execution of this Deed, deliver to the Lender (or procure delivery of) a Notice of Assignment duly executed by, or on behalf of, the applicable Chargor(s) in respect of the same, on the date of this Deed and shall use all reasonable endeavours to procure that such notice is acknowledged by the party to whom such Notice of Assignment is addressed; and
- (b) in respect of any Insurances, promptly after the execution of this Deed, following a request by the Principal Security Agent, serve a Notice of Assignment on the insurers under such Insurances and provide evidence satisfactory to the Principal Security Agent (acting reasonably) of the delivery of that Notice of Assignment. Each relevant Chargor will use all reasonable endeavours to procure that each party served with any such Notice of Assignment countersigns and returns the notice to the Principal Security Agent as soon as reasonably practicable.

5.1.2 The Principal Security Agent shall not be entitled to give any notice or instruction (as the case may be) referred to in paragraph 2 of the notice in the form of Schedule 4 (*Form of Notice of Assignment of Insurance*) or in the notice of acknowledgement in the form of Schedule 5 (*Form of Notice of Assignment of Acquisition Documents*) until an Event of Default has occurred which is continuing.

5.2 Delivery of Share Certificates

The Chargors shall:-

- 5.2.1 promptly following the date of this Deed, deposit with the Principal Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms relating to the Shares (undated and executed in blank by or on behalf of the applicable Chargor); and
- 5.2.2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, deliver to the Principal Security Agent (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (undated and executed in blank on behalf of the applicable Chargor) in respect of such stocks, shares, warrants or other securities as the Principal Security Agent may request.

6. RESTRICTIONS AND FURTHER ASSURANCE

6.1 Security

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by Clause 25.18 (*Negative pledge*) of the Facilities Agreement, except as expressly permitted under the terms of the Finance Documents.

6.2 Disposal

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by Clause 25.19 (*Disposals*) of the Facilities Agreement.

6.3 Further assurance

Each Chargor shall promptly do whatever the Principal Security Agent reasonably requires to:-

- 6.3.1 perfect or protect the Security created or expressed to be created by this Deed, or its priority; and/ or
- 6.3.2 facilitate the exercise of the rights, powers and discretions conferred on the Principal Security Agent or any Receiver under this Deed or by law; and/or
- 6.3.3 confer on the Principal Security Agent Security over any property or assets of that Chargor located in any jurisdiction outside of the United Kingdom equivalent or similar to the security intended to be conferred by or pursuant to this Deed or by law; and/or
- 6.3.4 after the security created by this Deed has become enforceable pursuant to Clause 11.1 (*Enforcement*), facilitate the realisation of the Charged Property,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Principal Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

7. SHARES AND SECURITIES

7.1 Shares: Before a Declared Default

Prior to the occurrence of a Declared Default, the relevant Chargor shall (i) exercise all voting and other rights and powers in relation to the Shares for any purpose provided that such purpose is not inconsistent with the Finance Documents and is not prejudicial to the interests of the Principal Security Agent under this Deed and (ii) receive and retain all dividends and distributions and other monies paid on or derived from the Shares.

7.2 Shares: After a Declared Default

After the occurrence of a Declared Default, the Principal Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other monies arising from the Shares in accordance with Clause 13 (*Application of Moneys*);
- 7.2.3 transfer the Shares into the name of such nominee(s) of the Principal Security Agent as it shall require; and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the

right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:-

- (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
- (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
- (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Principal Security Agent may think fit, and the proceeds of any such action shall form part of the Charged Property.

7.3 Securities and Shares: Payment of Calls

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment lasting longer than 10 Business Days, the Principal Security Agent may (but shall not be obliged and shall not be liable for any failure to do so), if it thinks fit, make such payment on behalf of such Chargor in which case any sums properly paid by the Principal Security Agent shall be reimbursed by the Chargor to the Principal Security Agent on demand and shall carry interest from the date of payment by the Principal Security Agent until reimbursed at the rate notified to the Chargor by the Principal Security Agent, such rate to be no higher than the Default Rate.

7.4 Securities: Delivery of Documents of Title

After the occurrence of Declared Default, the Chargors shall promptly on the request of the Principal Security Agent deliver (or procure delivery) to the Principal Security Agent, and the Principal Security Agent shall be entitled to retain, all of the Securities and any certificates and other documents of title representing the Securities to which any Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Principal Security Agent may request (in such form and executed as the Principal Security Agent may require) with a view to perfecting or improving its security over the Securities or to registering any Securities in its name or the name of any nominee(s).

7.5 Securities: Exercise of Rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which would prejudice the effectiveness of, or the ability of the Principal Security Agent to realise, the security created by or pursuant to this Deed.

8. ACCOUNTS

8.1 Accounts: Cash Collateral Accounts

No Chargor may withdraw all or any monies from time to time standing to the credit of the Mandatory Prepayment Account, unless with the prior consent of the Principal Security Agent.

8.2 Accounts: Operation Before a Declared Default

Subject to the terms of the Facilities Agreement, the Chargors shall, prior to the occurrence of a Declared Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (save for any Mandatory Prepayment Account).

8.3 Accounts: Operation After a Declared Default

After the occurrence of a Declared Default the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior written consent of the Principal Security Agent.

8.4 Accounts: Application of Monies

The Principal Security Agent shall, upon the occurrence of a Declared Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 13 (*Application of Moneys*).

9. MONETARY CLAIMS

9.1 No dealing with Monetary Claims

The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Principal Security Agent or as permitted pursuant to the terms of the Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do any of the foregoing.

9.2 Proceeds of Monetary Claims

The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account (and where required by the Facilities Agreement, into the relevant Cash Collateral Account).

10. INSURANCES

10.1 Insurances: Undertakings

The Chargors shall at all times during the subsistence of this Deed:-

10.1.1 keep the Charged Property insured in accordance with the terms of the Finance Documents; and

10.1.2 if required by the Principal Security Agent, provide a copy of all Insurances relating to the Charged Property to the Principal Security Agent.

10.2 Insurance: Default

If any Chargor defaults in complying with Clause 10.1 (*Insurance: Undertakings*), the Principal Security Agent may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys reasonably and properly expended by the Principal Security Agent in doing so shall be reimbursed by the Chargors to the Principal Security Agent on demand and shall carry interest from the date of payment by the Principal Security Agent until reimbursed at the Default Rate.

10.3 Application of Insurance Proceeds

All moneys received under any Insurance relating to the Charged Property shall, prior to the occurrence of a Declared Default, be applied in accordance with the terms of the Finance Documents. After the occurrence of a Declared Default the Chargors shall hold such moneys upon trust for the Principal Security Agent pending payment to the Principal Security Agent for application in accordance with Clause 13 (*Application of Moneys*) or, at the Principal Security Agent's discretion, to be applied in replacing or re-instating the assets destroyed, damaged or lost and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Charged Property.

11. DEMAND AND ENFORCEMENT

11.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 11.1.1 the occurrence of an Event of Default which is continuing; or
- 11.1.2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by any Chargor or by any other person to wind up or dissolve any Chargor or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver, administrative receiver, administrator or similar officer of any Chargor or any part of its undertaking or assets; or
- 11.1.3 the Chargor requesting the appointment of a Receiver or administrator.

11.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Principal Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 11.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 11.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA;
- 11.2.3 to the extent that any Charged Property constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Trustee insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;
- 11.2.4 subject to Clause 12.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property; and
- 11.2.5 appoint an administrator of any Chargor.

11.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 11.2 (*Powers on enforcement*), the Principal Security Agent or any Receiver may sell or dispose of all or any of the

Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

11.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Principal Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Principal Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

11.5 Delegation

The Principal Security Agent may delegate in any manner to any person any rights exercisable by the Principal Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Principal Security Agent thinks fit.

12. RECEIVERS

12.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Principal Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Principal Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

12.2 Removal

The Principal Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

12.3 General Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 12.3.1 of the Principal Security Agent under this Deed;
- 12.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 12.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 12.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 12.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

12.4 Additional Powers

In addition to the powers referred to in Clause 12.3 (*General Powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Charged Property and/or income in respect of which he was appointed;
- (b) to manage the Charged Property and the Chargor's business as he thinks fit;
- (c) to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secure Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to enter into, terminate or vary any Hedging Agreement;
- (e) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Charged Property in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation
 - (i) fixtures may be severed and sold separately from the Land containing them, without the Borrower's consent;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (f) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to abandon, complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (g) to carry out any sale, lease or other disposal of all or any part of the Charged Property by conveying, transferring, assigning or leasing the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in the Chargor's name so as to bind the Chargor;
- (h) to take any such proceedings in the Chargor's name as he shall think fit in respect of the Charged Property and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (i) to exercise any voting rights attached to any of the Charged Property;
- (j) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (k) to insure and to renew any insurances in respect of the Charged Property as he shall think fit (or the Principal Security Agent shall direct);

- (l) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ any firm, partner, company or other entity with which he is associated);
- (m) to form one or more subsidiaries of the Chargor and to transfer to any such subsidiary all or any part of the Charged Property;
- (n) to:
 - (i) give valid receipts for all monies and to do all such things as may seem necessary to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Charged Property;
 - (ii) exercise in relation to each Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and
 - (iii) use the Chargor's name for any of the above purposes.

12.5 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities but shall not be liable for any gross negligence or wilful default of the Receiver) unless and until such Chargor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Principal Security Agent.

12.6 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

12.7 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Principal Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

13. APPLICATION OF MONEYS

13.1 Application of moneys

All amounts from time to time received or recovered by the Principal Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Deed shall be held by the Principal Security Agent or any Receiver on trust to apply them at any time as the Principal Security Agent or any Receiver (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

- 13.1.1 in discharging any sums (including fees, expenses, costs or liabilities) owing to the Principal Security Agent, any Receiver or Delegate; and
- 13.1.2 thereafter, in accordance with the provisions of Clause 33.7 (*Order of Application*) of the Facilities Agreement,

and section 109(8) of the LPA shall not apply.

14. POWER OF ATTORNEY

14.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

14.1.1 the Principal Security Agent (whether or not a Receiver has been appointed);

14.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Principal Security Agent; and

14.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Principal Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Principal Security Agent or the Receiver to exercise any of its rights or powers under this Deed, such appointment to take effect immediately but the rights and powers of the attorney so appointed only to be exercisable upon this Deed becoming enforceable.

14.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 14.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 14.1 (*Appointment*).

15. CONSOLIDATION

15.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Principal Security Agent and each Finance Party may at any time after this Deed has become enforceable, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Principal Security Agent, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

15.2 Application

The Principal Security Agent's and each Finance Party's rights under Clause 15.1 (*Combination of accounts*) apply:-

15.2.1 whether or not any credit balance is immediately available or subject to any restriction; and

15.2.2 irrespective of the currencies in which any balance or liability is denominated, and the Principal Security Agent and the relevant Finance Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion.

16. PROTECTION OF THIRD PARTIES

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Principal Security Agent, as varied and extended by this Deed, and all other powers of the Principal Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

16.2 Purchasers

No purchaser from or other person dealing with the Principal Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

16.2.1 to enquire whether any of the powers which the Principal Security Agent or a Receiver have exercised has arisen or become exercisable;

16.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or

16.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Principal Security Agent, any other Finance Party, any Receiver or any person to whom any of them have delegated any of their powers.

17. PROTECTION OF THE PRINCIPAL SECURITY AGENT, THE FINANCE PARTIES AND ANY RECEIVER

17.1 No liability

None of the Principal Security Agent, the other Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed, except to the extent caused by the gross negligence or wilful default of the Principal Security Agent, the other Finance Parties or the Receiver or any of their respective officers, employees or delegates.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Principal Security Agent, any Receiver or any of their respective officers or employees liable:-

17.2.1 to account as mortgagee in possession;

17.2.2 for any loss on realisation; or

17.2.3 for any default or omission for which a mortgagee in possession might be liable (other than in the case of the gross negligence or the wilful misconduct

of the Principal Security Agent, the Receiver or any of their respective officers or employees),

and if and whenever the Principal Security Agent or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

17.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Principal Security Agent, each other Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities properly incurred by them in respect of all or any of the following:-

- 17.3.1 any act or omission by any of them in relation to all or any of the Charged Property;
- 17.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;
- 17.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 17.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 17.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Principal Security Agent or any other Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

17.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 17 (*Protection of the Principal Security Agent, the Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

17.5 Indemnity out of the Charged Property

The Principal Security Agent, the other Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 17.3 (*Indemnity*).

17.6 Indemnity out of the Charged Property

The rights set out in this Clause 17 shall survive the termination of this Deed.

18. PROVISIONS RELATING TO THE PRINCIPAL SECURITY AGENT

18.1 Powers and discretions

- 18.1.1 The rights, powers and discretions given to the Principal Security Agent in this Deed:-

- (a) may be exercised as often as, and in such manner as, the Principal Security Agent thinks fit;

- (b) are cumulative, and are not exclusive of any of its rights under the general law; and
- (c) may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.1.2 The Principal Security Agent is not obliged to:-

- (a) perform any obligations of the Chargor;
- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor;
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it or the Chargor may be entitled;
- (e) exercise any rights to which it or the Chargor may be entitled;
- (f) expend any of its own funds; or
- (g) take any action unless it is indemnified, secured or pre-funded to its own satisfaction.

18.2 Certificates

A certificate by an officer of the Principal Security Agent as to any sums payable to the Principal Security Agent under this Deed, shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

18.3 Assignment

The Principal Security Agent may assign this Deed to any successor in title to any of the Secured Liabilities or to a replacement Principal Security Agent appointed in accordance with the provisions of the Facilities Agreement, and each Finance Party may assign its interest in this Deed in whole or in part to any successor in title to any of the Secured Liabilities, and the Principal Security Agent and any Finance Party may disclose any information in its possession relating to any Chargor, its affairs or the Secured Liabilities to any actual or prospective assignee.

18.4 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

19. PRESERVATION OF SECURITY

19.1 Continuing Security

This Deed shall be a continuing security to the Principal Security Agent and shall remain in force until expressly discharged in writing by the Principal Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

19.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Principal Security Agent or any other

Finance Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

19.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Principal Security Agent or any other Finance Party) including:-

- 19.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 19.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 19.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 19.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 19.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 19.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 19.3.7 an insolvency, liquidation, administration or similar procedure.

19.4 Immediate recourse

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

19.5 Appropriations

During the Security Period the Principal Security Agent and each Finance Party may:-

- 19.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 13.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 19.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities,

provided that if the aggregate of such monies so placed to the credit of such suspense account or accounts shall equal or exceed the Secured Liabilities, the Receiver and/or the Principal Security Agent shall forthwith apply the same towards settlement of the Secured Liabilities.

19.6 New Accounts

If the Principal Security Agent or any other Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Principal Security Agent and the relevant Finance Party may close the current account or accounts and/or open a new account or accounts (bearing interest at commercial rates) for such Chargor. If the Principal Security Agent or any other Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Principal Security Agent or that Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

19.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Principal Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Chargors on the terms and subject to the conditions of the Finance Documents.

19.8 Deferral of Chargor's rights

During the Security Period and unless the Principal Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 19.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 19.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 19.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- 19.8.4 to exercise any right of set-off against any Obligor; and/or
- 19.8.5 to claim or prove as a creditor of any Obligor in competition with any Finance Party.

20. RELEASE

20.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, or, if the Principal Security Agent so agrees, at any other time, the Principal Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 20.1.1 release the Charged Property from this Deed; and

20.1.2 re-assign the Charged Property that has been assigned to the Principal Security Agent under this Deed.

20.2 Reinstatement

If the Principal Security Agent considers in its reasonable opinion that any amount paid or credited to any Finance Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

20.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

20.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

20.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

21. MISCELLANEOUS PROVISIONS

21.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

21.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

21.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

21.2 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

21.3 Counterparts

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

21.4 Deeds of accession

Each of the parties agrees that each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed.

22. NOTICES

The provisions of Clause 36 (*Notices*) of the Facilities Agreement shall apply to any notices issued under this Deed.

23. **GOVERNING LAW**

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

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGORS

Company name	Company details
Centurion 1 Limited	SC540138 Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Centurion 2 Limited	SC540315 Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Centurion Acquisition Limited	(SC435504) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Conserve Oilfield Services Limited	(03528948) 20-22 Bedford Row, London, WC1R 4JS
Rentair Offshore Limited	(03719503) 20-22 Bedford Row, London, WC1R 4JS
Rentair Limited	(03133771) 20-22 Bedford Row, London, WC1R 4JS
ATR Offshore Holdings Limited	(SC404407) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Offshore Group Limited	(SC403892) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Holdings Limited	(SC305588) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Equipment Solutions Ltd	(SC153427) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Power Solutions Ltd	(SC221515) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Overseas Limited	(SC317260) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Underwater Engineering Services Limited	(SC272679) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU

ATR Lifting Solutions Limited	(SC122818) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Cosalt Offshore Group Limited	(SC442522) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
STH Holdings Limited	(SC506774) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Safety & Technical Hydraulics Limited	(SC286215) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU

Schedule 2

DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder
Rentair Offshore Limited	15,292,172 ordinary shares of £1 each	Centurion Acquisition Limited
Rentair Limited	300,000 A ordinary shares of US\$0.10 each	Rentair Offshore Limited
Rentair Limited	3,699,600 B ordinary shares of £1 each	Rentair Offshore Limited
Conserve Oilfield Services Limited	100,001 ordinary shares of £1 each	Centurion Acquisition Limited

Schedule 3

DEED OF ACCESSION

THIS DEED OF ACCESSION is made on []

BETWEEN:-

- (1) [] (the "New Chargor"), a company incorporated in England or Wales whose registered office is at [];
- (2) [] LIMITED (the "Parent") for itself and as agent for and on behalf of each of the other Chargors named in the Debenture referred to below; and
- (3) **WELLS FARGO TRUST CORPORATION LIMITED** as the Principal Security Agent.

WHEREAS:-

- (A) The New Chargor is, or will on the date of this Deed of Accession become, a Subsidiary of the Parent.
- (B) The Parent has entered into a deed dated [] (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Debenture**") between the Parent, each of the companies named in the Debenture as Chargors and Wells Fargo Trust Corporation Limited as Principal Security Agent.
- (C) The New Chargor at the request of the Parent and in consideration of the Finance Parties making or continuing to make facilities available to the Parent or any other member of its group and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed of Accession by it will be of benefit to it, has decided in good faith and for the purpose of carrying on its business to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture shall have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 (*Interpretation*) of the Debenture shall apply to this Deed of Accession insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees:-

- 2.1 to become a party to and to be bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed of Accession); and
- 2.2 to be bound by all the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.

3. **SECURITY**

The New Chargor mortgages, charges and assigns to the Principal Security Agent all its business, undertaking and assets on the terms of Clause 3 (*Charges*) of the Debenture, provided that the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the following Shares: [].

4. **EFFECT ON DEBENTURE**

The Debenture and this Deed of Accession shall be read as one so that references in the Debenture to "this Deed", "herein", and similar phrases shall be deemed to include this Deed of Accession.

5. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

EXECUTED AND DELIVERED AS A DEED
by **[NEW CHARGOR]**

EXECUTED AND DELIVERED AS A DEED
by **[PARENT]**

SIGNED for and on behalf of
[Principal Security Agent]

Schedule 4
Form of notice of assignment of insurance

To: **[insert name and address of insurance company]**

Dated: []

Dear Sirs

Re: [here identify the relevant insurance policy(ies)] (the Policies)

We notify you that **[insert name of the Company]** (the **Chargor**) has assigned to **[insert name of Principal Security Agent]** (the **Principal Security Agent**) all its right, title and interest in the Policies as security for certain obligations owed by the Chargor to the Principal Security Agent.

We further notify you that:

1. the Chargor may not agree to amend or terminate the Policies without the prior written consent of the Principal Security Agent;
2. you may continue to deal with the Chargor in relation to the Policies until you receive written notice to the contrary from the Principal Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Principal Security Agent;
3. you are authorised to disclose information in relation to the Policies to the Principal Security Agent on request; and
4. the provisions of this notice may only be revoked with the written consent of the Principal Security Agent.

Please sign and return the enclosed copy of this notice to the Principal Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you [will note/have noted] the Principal Security Agent's interest as first chargee on the Policies;
- (c) after receipt of written notice in accordance with paragraph 2 above, you will pay all monies to which the Chargor is entitled under the Policies direct to such of the Holding Account or the Mandatory Prepayment Account held with a Finance Party (as the Principal Security Agent shall direct and provide details of in its written notice) (and not to the Chargor) unless the Principal Security Agent otherwise agrees in writing;
- (d) you will not cancel or otherwise allow the Policies to lapse without giving the Principal Security Agent not less than 14 days written notice;
- (e) you have not received notice that the Chargor has assigned its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party; and

- (f) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policies.

The provisions of this notice are governed by English law.

Yours faithfully

.....
for and on behalf of
[insert name of Chargor]

[On acknowledgement copy]

To: Wells Fargo Trust Corporation Limited

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (f) above.

.....
for and on behalf of
[insert name of insurance company]

Dated: []

Schedule 5

FORM OF NOTICE OF ASSIGNMENT OF ACQUISITION DOCUMENTS

To: []
[]

Date: []

Dear Sirs,

We give you notice that we have assigned and charged to Wells Fargo Trust Corporation Limited ("**Principal Security Agent**") pursuant to a deed entered into by us in favour of the Principal Security Agent dated [] all our right, title and interest in and to the [] (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:-

- (1) following the Principal Security Agent's notification to you that an Event of Default has occurred all payments by you to us under or arising from the Contract should be made to the Principal Security Agent or to its order as it may specify in writing from time to time;
- (2) all remedies provided for in the Contract or available at law or in equity are exercisable by the Principal Security Agent;
- (3) all rights to compel performance of the Contract are exercisable by the Principal Security Agent although the Company shall remain liable to perform all the obligations assumed by it under the Contract;
- (4) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Principal Security Agent and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Principal Security Agent's consent; and
- (5) you are authorised and instructed, without requiring further approval from us, to provide the Principal Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Principal Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Principal Security Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Principal Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
[]

[On copy only:]

To: **WELLS FARGO TRUST CORPORATION LIMITED**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that:-

- (1) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Principal Security Agent;
- (2) no termination of such rights, interests or benefits shall be effective unless we have given the Principal Security Agent thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination; and
- (3) no breach or default on the part of [] of any of the terms of the Contract shall be deemed to have occurred unless we have given notice of such breach to the Principal Security Agent specifying how to make good such breach.

For and on behalf of []

By:

Dated:

EXECUTION PAGES

EXECUTED AND DELIVERED AS A DEED

by CENTURION 1 LIMITED acting by

..... Director
ALAN MACLEOD Full Name
in the presence of
..... Witness
ANDREW LINDON Full Name

EXECUTED AND DELIVERED AS A DEED

by CENTURION 2 LIMITED acting by

..... Director
ALAN MACLEOD Full Name
in the presence of
..... Witness
ANDREW LINDON Full Name



EXECUTED AND DELIVERED AS A DEED

by CENTURION ACQUISITION LIMITED



acting by

..... Director
ALAN MACLEOD Full Name
in the presence of
..... Witness
ANDREW LINDON Full Name


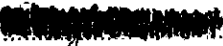
EXECUTED AND DELIVERED AS A DEED
by CONSERVE OILFIELD SERVICES LIMITED
acting by


..... Director
ALAN MACLEOD Full Name
in the presence of

..... Witness
ANDREW LYNDON Full Name

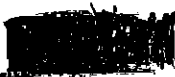

EXECUTED AND DELIVERED AS A DEED
by RENTAIR OFFSHORE LIMITED acting by


..... Director
ALAN MACLEOD Full Name
in the presence of

..... Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED
by RENTAIR LIMITED acting by




..... Director
ALAN MACLEOD Full Name
in the presence of

..... Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED
by ATR OFFSHORE HOLDINGS LIMITED
acting by


..... Director
ELAN LEASK Full Name
in the presence of

..... Witness
ANDREW LYNDON Full Name



EXECUTED AND DELIVERED AS A DEED

by **ATR OFFSHORE GROUP LIMITED** acting by

 Director
ALAN LEASK Full Name
in the presence of
 Witness
ANDREW LYNDON Full Name



EXECUTED AND DELIVERED AS A DEED

by **ATR HOLDINGS LIMITED** acting by

 Director
ALAN LEASK Full Name
in the presence of
 Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED

by **ATR EQUIPMENT SOLUTIONS LTD** acting by

 Director
ALAN LEASK Full Name
in the presence of
 Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED

by ATR POWER SOLUTIONS LTD acting by

..... Director
Euan Leask Full Name
in the presence of
..... Witness
Andrew Lydon Full Name

EXECUTED AND DELIVERED AS A DEED

by ATR OVERSEAS LIMITED acting by

..... Director
Euan Leask Full Name
in the presence of
..... Witness
Andrew Lydon Full Name

EXECUTED AND DELIVERED AS A DEED

by UNDERWATER ENGINEERING SERVICES

LIMITED acting by

..... Director
Euan Leask Full Name
in the presence of
..... Witness
Andrew Lydon Full Name

EXECUTED AND DELIVERED AS A DEED

by ATR LIFTING SOLUTIONS LIMITED acting by

..... Director
Aly Euan Leask Full Name
in the presence of
..... Witness
Andrew Lydon Full Name

EXECUTED AND DELIVERED AS A DEED

by COSALT OFFSHORE GROUP LIMITED

acting by

..... Director
ELIAN LEASE Full Name

in the presence of

..... Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED

by STH HOLDINGS LIMITED acting by

..... Director
ELIAN LEASE Full Name

in the presence of

..... Witness
ANDREW LYNDON Full Name

EXECUTED AND DELIVERED AS A DEED

by SAFETY & TECHNICAL HYDRAULICS

LIMITED acting by

..... Director
ELIAN LEASE Full Name

in the presence of

..... Witness
ANDREW LYNDON Full Name

The Principal Security Agent

SIGNED by _____)
for and on behalf of _____)
WELLS FARGO TRUST CORPORATION
LIMITED

DATED 27 July 2016

(1) THE CHARGORS

and

(2) WELLS FARGO TRUST CORPORATION LIMITED
(AS PRINCIPAL SECURITY AGENT)

DEBENTURE

THIS DEED is made on 27 July 2016

BETWEEN:-

- (1) **THE COMPANIES** whose names and details are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "Chargor" and together the "Chargors"); and
- (2) **WELLS FARGO TRUST CORPORATION LIMITED** incorporated in England (Registered Number 04409492) whose registered office is at One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD as Principal Security Agent under and as defined in the Facilities Agreement and its successor(s) as such Principal Security Agent (the "Principal Security Agent")

THIS DEED WITNESSES as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Account" means any account opened or maintained by any Chargor at any bank or financial institution

"Acquisition Documents" means:

- (a) the contribution agreement dated on or around the date of this Deed between Centurion 1 Limited and the Centurion 2 Limited in relation to the transfer of shares/stock in each of Centurion Acquisition Limited, Jacks Winches Holdings Pty Ltd and Dampier Subsea Corp.;
- (b) the contribution agreement dated on or around the date of this Deed between Centurion 1 Limited and Centurion 2 Limited in relation to the transfer of shares 'in ATR Offshore Holdings Limited from the Centurion 1 Limited to Centurion 2 Limited

"Charged Property" means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the security created in favour of the Principal Security Agent by or pursuant to this Deed

"Company" has the meaning given in the Facilities Agreement

"Declared Default" means an Event of Default in respect of which any notice has been issued or rights exercised by the Agent pursuant to Clause 26.19 (*Acceleration*) of the Facilities Agreement

"Deed of Accession" means a deed substantially in the form of Schedule 3 (*Deed of Accession*) executed, or to be executed, by a person becoming a Chargor

"Default Rate"	means the rate of interest applicable under Clause 12.3 (<i>Default interest</i>) of the Facilities Agreement
"Facilities Agreement"	means the senior term loan and revolving facilities agreement dated on or around the date of this Deed entered into among the Chargors and others (as Borrowers and Guarantors), Wells Fargo Bank, N.A., London Branch, HSBC Bank plc and Clydesdale Bank plc as Arrangers and Original Lenders, Wells Fargo Bank International as Agent, Wells Fargo Trust Corporation Limited as Principal Security Agent and Capita Trust Company Limited as Shares Security Agent as amended, supplemented, novated, extended or restated from time to time;
"Fixed Plant and Equipment"	means all plant, machinery or equipment of each Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building
"Fixtures"	means all things of any kind now or at any time affixed to land for any purpose, including, without limitation, trade and tenants fixtures
"Insurances"	means all policies of insurance or assurance and all proceeds of them either now or in the future held by, or written in favour of, a Chargor, or in which it is otherwise interested and any policy of insurance or assurance referred to in a Deed of Accession but excluding any third party liability or public liability insurance and any directors and officers insurance
"Intellectual Property"	means any of the following (in each case whether registered or unregistered):- <ul style="list-style-type: none"> (a) any intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any invention, copyright, design right or performance right; (c) any trade secrets, know-how and confidential information; and (d) the benefit of any agreement or licence for the use of any such right
"Intra-Group Loan Agreements"	means any loan agreement between the Company and any other Chargor
"Land"	means any estate, right or interest in or over land, whether legal or equitable, and wherever the land is situated including, without limitation, any buildings and Fixtures on land, and the benefit of any covenants or

	rights owed to any person or enforceable by him by virtue of the ownership possession or occupation of land but for these purposes "Land" excludes heritable property situated in Scotland
"Loose Plant and Equipment"	means, in relation to each Chargor, all plant, machinery, equipment and motor vehicles now or at any time owned by such Chargor as a capital asset which is not Fixed Plant and Equipment
"LPA"	means the Law of Property Act 1925
"Monetary Claims"	means all book and other debts and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, sums due under the Intra-Group Loan Agreements and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt.
"Notice of Assignment"	means, unless otherwise agreed with the Lender:- <ul style="list-style-type: none"> (a) in respect of the Insurance, a notice of assignment substantially in the form set out in Schedule 4 (<i>Form of Notice of Assignment of Insurance</i>); and (b) in respect of the Acquisition Documents, a notice of assignment substantially in the form set out in Schedule 5 (<i>Form of Notice of Assignment of Acquisition Documents</i>).
"Party"	means a party to this Deed
"Regulations"	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/2336) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and "Regulation" means any of them
"Related Rights"	means in relation to any Charged Property: <ul style="list-style-type: none"> (a) the proceeds of sale of any part of that Charged Property; (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property; (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property; and (d) any moneys and proceeds paid or payable in respect of that Charged Property

"Secured Liabilities"	means all monies, liabilities and obligations, whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, cautioner, surety or otherwise, which are now or may at any time hereafter (whether before or at any time after demand) be or become due in any manner by any Chargor to the Secured Parties under the Finance Documents
"Secured Parties"	has the meaning given in the Facilities Agreement
"Securities"	means all the right, title and interest of a Chargor, now or in the future, in any:- <ul style="list-style-type: none"> (a) stocks, shares, bonds, debentures, loan stocks, or other securities issued by any person; (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, debentures, loan stocks or other securities or investments issued by any person; and (c) units or other interests in any unit trust or collective investment scheme, other than the Shares
"Security Period"	means the period beginning on the date of this Deed and ending on the date on which: <ul style="list-style-type: none"> (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and (b) the Secured Parties have no further commitment, obligation or liability under or pursuant to the Finance Documents
"Shares"	means all of the shares in the capital of each of the companies specified in Schedule 2 (<i>Details of Shares</i>) and any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time, or any shares referred to in any Deed of Accession, in each case held by, to the order of or on behalf of, any Chargor at any time

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement, shall have the same meanings in this Deed.

1.3 Interpretation

To the extent applicable, the principles of interpretation set out in Clause 1.2 (*Construction*) of the Facilities Agreement shall apply to this Deed.

1.4 Conflict

If there is any conflict between the provisions of this Deed and the provisions of the Facilities Agreement, the provisions of the Facilities Agreement shall prevail.

1.5 Acknowledgement

Each Party herein acknowledges that the Principal Security Agent is party to this Deed solely to take the benefit of this Deed. This Deed does not impose any additional obligations and duties on the Principal Security Agent other than as expressly provided for in this Deed. In the event of a conflict between the terms of this Deed and the Facilities Agreement in relation to the duties and obligations of the Principal Security Agent, the terms of the Facilities Agreement shall prevail.

1.6 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Principal Security Agent.

1.7 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.8 Third party rights

1.8.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.

1.8.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will pay and discharge the Secured Liabilities when the same become due for payment or discharge in accordance with the Facilities Agreement and the other Finance Documents.

3. CHARGES

3.1 Mortgages and Fixed Charges

As a continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Principal Security Agent all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land now vested in any Chargor;

3.1.2 by way of first fixed charge all Land acquired by any Chargor after the date of this Deed;

3.1.3 by way of equitable mortgage or (if or to the extent that this Deed does not take effect as a mortgage) by way of first fixed charge, the Shares;

3.1.4 by way of first fixed charge:-

- (a) the Securities;
- (b) the Intellectual Property;
- (c) the Monetary Claims;
- (d) the Fixed Plant and Equipment;
- (e) the Loose Plant and Equipment;
- (f) the Accounts;
- (g) the Related Rights under or in connection with the Shares, the Securities, the Intellectual Property, the Monetary Claims, the Fixed Plant and Equipment, the Loose Plant and Equipment and the Accounts;
- (h) to the extent not assigned or effectively assigned by Clause 3.3 (*Assignments*), the Insurances, Acquisition Documents and all Related Rights in respect of the same; and
- (i) its present and future goodwill and uncalled capital.

3.2 **Floating Charge**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor (except for Centurion Acquisition Limited and any other Chargor incorporated in Scotland) with full title guarantee charges to the Principal Security Agent by way of first floating charge the whole of such Chargor's undertaking and assets, present and future and wherever situated (including, without limitation, any heritable property situated in Scotland), which are not for any reason effectively charged or assigned (whether in law or equity) by way of fixed security by this Deed.

3.3 **Assignments**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns absolutely in favour of the Principal Security Agent, but subject to the right of such Chargor to redeem such assignment upon the full payment or discharge of the Secured Liabilities, its right, title and interest from time to time in each of the following assets:

3.3.1 the Insurances; and

3.3.2 the Acquisition Documents,

together with all Related Rights in respect of such Charged Property, provided that each Chargor is entitled until the occurrence of an Event of Default to exercise all rights assigned under this Clause 3.3 (*Assignments*) (subject to the terms of the Finance Documents) and the Principal Security Agent will reassign any such rights to the extent necessary to enable such Chargor to do so.

3.4 **Trust**

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the relevant Chargor shall hold it on trust for the Principal Security Agent.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.6 Restrictions on creation of Security

If security cannot be created in respect of any asset of any Chargor without the consent of any third party:

- 3.6.1 the relevant Chargor must notify the Principal Security Agent promptly upon becoming aware of the same;
- 3.6.2 this Deed shall not create any security in respect of that asset except to the extent permitted without the consent of any third party but will secure all amounts which the relevant Chargor may receive in respect of that asset;
- 3.6.3 unless the Principal Security Agent otherwise agrees, the relevant Chargor must use reasonable endeavours to obtain the consent of the third party to the creation of security over that asset pursuant to this Deed; and
- 3.6.4 on and from the date on which such consent is obtained, the security created by this Deed shall extend to and include that asset.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

The Principal Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:-

- 4.1.1 a Declared Default has occurred; or
- 4.1.2 the Principal Security Agent considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process.

4.2 Crystallisation: Automatic

The floating charge created by Clause 3.2 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to the floating charge if:-

- 4.2.1 any Chargor creates or attempts to create any Security (other than Permitted Security) over any of the Charged Property; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property.

4.3 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.2 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- 4.3.1 the obtaining of a moratorium; or
- 4.3.2 anything done with a view to obtaining a moratorium,

under Schedule A1 to the Insolvency Act 1986.

5. PERFECTION OF SECURITY

5.1 Notice of Assignment

5.1.1 The Chargors shall:

- (a) in respect of the Acquisition Documents, promptly following the execution of this Deed, deliver to the Lender (or procure delivery of) a Notice of Assignment duly executed by, or on behalf of, the applicable Chargor(s) in respect of the same, on the date of this Deed and shall use all reasonable endeavours to procure that such notice is acknowledged by the party to whom such Notice of Assignment is addressed; and
- (b) in respect of any Insurances, promptly after the execution of this Deed, following a request by the Principal Security Agent, serve a Notice of Assignment on the insurers under such Insurances and provide evidence satisfactory to the Principal Security Agent (acting reasonably) of the delivery of that Notice of Assignment. Each relevant Chargor will use all reasonable endeavours to procure that each party served with any such Notice of Assignment countersigns and returns the notice to the Principal Security Agent as soon as reasonably practicable.

5.1.2 The Principal Security Agent shall not be entitled to give any notice or instruction (as the case may be) referred to in paragraph 2 of the notice in the form of Schedule 4 (*Form of Notice of Assignment of Insurance*) or in the notice of acknowledgement in the form of Schedule 5 (*Form of Notice of Assignment of Acquisition Documents*) until an Event of Default has occurred which is continuing.

5.2 Delivery of Share Certificates

The Chargors shall:-

- 5.2.1 promptly following the date of this Deed, deposit with the Principal Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms relating to the Shares (undated and executed in blank by or on behalf of the applicable Chargor); and
- 5.2.2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, deliver to the Principal Security Agent (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (undated and executed in blank on behalf of the applicable Chargor) in respect of such stocks, shares, warrants or other securities as the Principal Security Agent may request.

6. RESTRICTIONS AND FURTHER ASSURANCE

6.1 Security

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by Clause 25.18 (*Negative pledge*) of the Facilities Agreement, except as expressly permitted under the terms of the Finance Documents.

6.2 Disposal

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by Clause 25.19 (*Disposals*) of the Facilities Agreement.

6.3 Further assurance

Each Chargor shall promptly do whatever the Principal Security Agent reasonably requires to:-

- 6.3.1 perfect or protect the Security created or expressed to be created by this Deed, or its priority; and/ or
- 6.3.2 facilitate the exercise of the rights, powers and discretions conferred on the Principal Security Agent or any Receiver under this Deed or by law; and/ or
- 6.3.3 confer on the Principal Security Agent Security over any property or assets of that Chargor located in any jurisdiction outside of the United Kingdom equivalent or similar to the security intended to be conferred by or pursuant to this Deed or by law; and/ or
- 6.3.4 after the security created by this Deed has become enforceable pursuant to Clause 11.1 (*Enforcement*), facilitate the realisation of the Charged Property,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Principal Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

7. SHARES AND SECURITIES

7.1 Shares: Before a Declared Default

Prior to the occurrence of a Declared Default, the relevant Chargor shall (i) exercise all voting and other rights and powers in relation to the Shares for any purpose provided that such purpose is not inconsistent with the Finance Documents and is not prejudicial to the interests of the Principal Security Agent under this Deed and (ii) receive and retain all dividends and distributions and other monies paid on or derived from the Shares.

7.2 Shares: After a Declared Default

After the occurrence of a Declared Default, the Principal Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other monies arising from the Shares in accordance with Clause 13 (*Application of Moneys*);
- 7.2.3 transfer the Shares into the name of such nominee(s) of the Principal Security Agent as it shall require; and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the

right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:-

- (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
- (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
- (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Principal Security Agent may think fit, and the proceeds of any such action shall form part of the Charged Property.

7.3 Securities and Shares: Payment of Calls

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment lasting longer than 10 Business Days, the Principal Security Agent may (but shall not be obliged and shall not be liable for any failure to do so), if it thinks fit, make such payment on behalf of such Chargor in which case any sums properly paid by the Principal Security Agent shall be reimbursed by the Chargor to the Principal Security Agent on demand and shall carry interest from the date of payment by the Principal Security Agent until reimbursed at the rate notified to the Chargor by the Principal Security Agent, such rate to be no higher than the Default Rate.

7.4 Securities: Delivery of Documents of Title

After the occurrence of Declared Default, the Chargors shall promptly on the request of the Principal Security Agent deliver (or procure delivery) to the Principal Security Agent, and the Principal Security Agent shall be entitled to retain, all of the Securities and any certificates and other documents of title representing the Securities to which any Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Principal Security Agent may request (in such form and executed as the Principal Security Agent may require) with a view to perfecting or improving its security over the Securities or to registering any Securities in its name or the name of any nominee(s).

7.5 Securities: Exercise of Rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which would prejudice the effectiveness of, or the ability of the Principal Security Agent to realise, the security created by or pursuant to this Deed.

8. ACCOUNTS

8.1 Accounts: Cash Collateral Accounts

No Chargor may withdraw all or any monies from time to time standing to the credit of the Mandatory Prepayment Account, unless with the prior consent of the Principal Security Agent.

8.2 Accounts: Operation Before a Declared Default

Subject to the terms of the Facilities Agreement, the Chargors shall, prior to the occurrence of a Declared Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (save for any Mandatory Prepayment Account).

8.3 Accounts: Operation After a Declared Default

After the occurrence of a Declared Default the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior written consent of the Principal Security Agent.

8.4 Accounts: Application of Monies

The Principal Security Agent shall, upon the occurrence of a Declared Default be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 13 (*Application of Moneys*).

9. MONETARY CLAIMS

9.1 No dealing with Monetary Claims

The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Principal Security Agent or as permitted pursuant to the terms of the Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do any of the foregoing.

9.2 Proceeds of Monetary Claims

The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account (and where required by the Facilities Agreement, into the relevant Cash Collateral Account).

10. INSURANCES

10.1 Insurances: Undertakings

The Chargors shall at all times during the subsistence of this Deed:-

10.1.1 keep the Charged Property insured in accordance with the terms of the Finance Documents; and

10.1.2 if required by the Principal Security Agent, provide a copy of all Insurances relating to the Charged Property to the Principal Security Agent.

10.2 Insurance: Default

If any Chargor defaults in complying with Clause 10.1 (*Insurance: Undertakings*), the Principal Security Agent may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys reasonably and properly expended by the Principal Security Agent in doing so shall be reimbursed by the Chargors to the Principal Security Agent on demand and shall carry interest from the date of payment by the Principal Security Agent until reimbursed at the Default Rate.

10.3 Application of Insurance Proceeds

All moneys received under any Insurance relating to the Charged Property shall, prior to the occurrence of a Declared Default, be applied in accordance with the terms of the Finance Documents. After the occurrence of a Declared Default the Chargors shall hold such moneys upon trust for the Principal Security Agent pending payment to the Principal Security Agent for application in accordance with Clause 13 (*Application of Moneys*) or, at the Principal Security Agent's discretion, to be applied in replacing or re-instating the assets destroyed, damaged or lost and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Charged Property.

11. DEMAND AND ENFORCEMENT

11.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 11.1.1 the occurrence of an Event of Default which is continuing; or
- 11.1.2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by any Chargor or by any other person to wind up or dissolve any Chargor or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver, administrative receiver, administrator or similar officer of any Chargor or any part of its undertaking or assets; or
- 11.1.3 the Chargor requesting the appointment of a Receiver or administrator.

11.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Principal Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 11.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 11.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA;
- 11.2.3 to the extent that any Charged Property constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Trustee insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;
- 11.2.4 subject to Clause 12.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property; and
- 11.2.5 appoint an administrator of any Chargor.

11.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 11.2 (*Powers on enforcement*), the Principal Security Agent or any Receiver may sell or dispose of all or any of the

Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

11.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Principal Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Principal Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

11.5 Delegation

The Principal Security Agent may delegate in any manner to any person any rights exercisable by the Principal Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Principal Security Agent thinks fit.

12. RECEIVERS

12.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Principal Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Principal Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

12.2 Removal

The Principal Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

12.3 General Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 12.3.1 of the Principal Security Agent under this Deed;
- 12.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 12.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 12.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 12.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

12.4 Additional Powers

In addition to the powers referred to in Clause 12.3 (*General Powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Charged Property and/or income in respect of which he was appointed;
- (b) to manage the Charged Property and the Chargor's business as he thinks fit;
- (c) to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secure Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to enter into, terminate or vary any Hedging Agreement;
- (e) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Charged Property in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation
 - (i) fixtures may be severed and sold separately from the Land containing them, without the Borrower's consent;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (f) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to abandon, complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (g) to carry out any sale, lease or other disposal of all or any part of the Charged Property by conveying, transferring, assigning or leasing the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in the Chargor's name so as to bind the Chargor;
- (h) to take any such proceedings in the Chargor's name as he shall think fit in respect of the Charged Property and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (i) to exercise any voting rights attached to any of the Charged Property;
- (j) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (k) to insure and to renew any insurances in respect of the Charged Property as he shall think fit (or the Principal Security Agent shall direct);

- (l) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ any firm, partner, company or other entity with which he is associated);
- (m) to form one or more subsidiaries of the Chargor and to transfer to any such subsidiary all or any part of the Charged Property;
- (n) to:
 - (i) give valid receipts for all monies and to do all such things as may seem necessary to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Charged Property;
 - (ii) exercise in relation to each Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and
 - (iii) use the Chargor's name for any of the above purposes.

12.5 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities but shall not be liable for any gross negligence or wilful default of the Receiver) unless and until such Chargor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Principal Security Agent.

12.6 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

12.7 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Principal Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

13. APPLICATION OF MONEYS

13.1 Application of moneys

All amounts from time to time received or recovered by the Principal Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Deed shall be held by the Principal Security Agent or any Receiver on trust to apply them at any time as the Principal Security Agent or any Receiver (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

- 13.1.1 in discharging any sums (including fees, expenses, costs or liabilities) owing to the Principal Security Agent, any Receiver or Delegate; and
- 13.1.2 thereafter, in accordance with the provisions of Clause 33.7 (*Order of Application*) of the Facilities Agreement,

and section 109(8) of the LPA shall not apply.

14. POWER OF ATTORNEY

14.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

14.1.1 the Principal Security Agent (whether or not a Receiver has been appointed);

14.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Principal Security Agent; and

14.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Principal Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Principal Security Agent or the Receiver to exercise any of its rights or powers under this Deed, such appointment to take effect immediately but the rights and powers of the attorney so appointed only to be exercisable upon this Deed becoming enforceable.

14.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 14.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 14.1 (*Appointment*).

15. CONSOLIDATION

15.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Principal Security Agent and each Finance Party may at any time after this Deed has become enforceable, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Principal Security Agent, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

15.2 Application

The Principal Security Agent's and each Finance Party's rights under Clause 15.1 (*Combination of accounts*) apply:-

15.2.1 whether or not any credit balance is immediately available or subject to any restriction; and

15.2.2 irrespective of the currencies in which any balance or liability is denominated, and the Principal Security Agent and the relevant Finance Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion.

16. PROTECTION OF THIRD PARTIES

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Principal Security Agent, as varied and extended by this Deed, and all other powers of the Principal Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

16.2 Purchasers

No purchaser from or other person dealing with the Principal Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

16.2.1 to enquire whether any of the powers which the Principal Security Agent or a Receiver have exercised has arisen or become exercisable;

16.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or

16.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Principal Security Agent, any other Finance Party, any Receiver or any person to whom any of them have delegated any of their powers.

17. PROTECTION OF THE PRINCIPAL SECURITY AGENT, THE FINANCE PARTIES AND ANY RECEIVER

17.1 No liability

None of the Principal Security Agent, the other Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed, except to the extent caused by the gross negligence or wilful default of the Principal Security Agent, the other Finance Parties or the Receiver or any of their respective officers, employees or delegates.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Principal Security Agent, any Receiver or any of their respective officers or employees liable:-

17.2.1 to account as mortgagee in possession;

17.2.2 for any loss on realisation; or

17.2.3 for any default or omission for which a mortgagee in possession might be liable (other than in the case of the gross negligence or the wilful misconduct

of the Principal Security Agent, the Receiver or any of their respective officers or employees),

and if and whenever the Principal Security Agent or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

17.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Principal Security Agent, each other Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities properly incurred by them in respect of all or any of the following:-

- 17.3.1 any act or omission by any of them in relation to all or any of the Charged Property;
- 17.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;
- 17.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 17.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 17.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Principal Security Agent or any other Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

17.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 17 (*Protection of the Principal Security Agent, the Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

17.5 Indemnity out of the Charged Property

The Principal Security Agent, the other Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 17.3 (*Indemnity*).

17.6 Indemnity out of the Charged Property

The rights set out in this Clause 17 shall survive the termination of this Deed.

18. PROVISIONS RELATING TO THE PRINCIPAL SECURITY AGENT

18.1 Powers and discretions

18.1.1 The rights, powers and discretions given to the Principal Security Agent in this Deed:-

- (a) may be exercised as often as, and in such manner as, the Principal Security Agent thinks fit;

- (b) are cumulative, and are not exclusive of any of its rights under the general law; and
- (c) may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.1.2 The Principal Security Agent is not obliged to:-

- (a) perform any obligations of the Chargor;
- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor;
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it or the Chargor may be entitled;
- (e) exercise any rights to which it or the Chargor may be entitled;
- (f) expend any of its own funds; or
- (g) take any action unless it is indemnified, secured or pre-funded to its own satisfaction.

18.2 Certificates

A certificate by an officer of the Principal Security Agent as to any sums payable to the Principal Security Agent under this Deed, shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

18.3 Assignment

The Principal Security Agent may assign this Deed to any successor in title to any of the Secured Liabilities or to a replacement Principal Security Agent appointed in accordance with the provisions of the Facilities Agreement, and each Finance Party may assign its interest in this Deed in whole or in part to any successor in title to any of the Secured Liabilities; and the Principal Security Agent and any Finance Party may disclose any information in its possession relating to any Chargor, its affairs or the Secured Liabilities to any actual or prospective assignee.

18.4 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

19. PRESERVATION OF SECURITY

19.1 Continuing Security

This Deed shall be a continuing security to the Principal Security Agent and shall remain in force until expressly discharged in writing by the Principal Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

19.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Principal Security Agent or any other

Finance Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

19.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Principal Security Agent or any other Finance Party) including:-

- 19.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 19.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 19.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 19.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 19.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 19.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 19.3.7 an insolvency, liquidation, administration or similar procedure.

19.4 Immediate recourse

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

19.5 Appropriations

During the Security Period the Principal Security Agent and each Finance Party may:-

- 19.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 13.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 19.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities,

provided that if the aggregate of such monies so placed to the credit of such suspense account or accounts shall equal or exceed the Secured Liabilities, the Receiver and/or the Principal Security Agent shall forthwith apply the same towards settlement of the Secured Liabilities.

19.6 New Accounts

If the Principal Security Agent or any other Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Principal Security Agent and the relevant Finance Party may close the current account or accounts and/or open a new account or accounts (bearing interest at commercial rates) for such Chargor. If the Principal Security Agent or any other Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Principal Security Agent or that Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

19.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Principal Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Chargors on the terms and subject to the conditions of the Finance Documents.

19.8 Deferral of Chargor's rights

During the Security Period and unless the Principal Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 19.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 19.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 19.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- 19.8.4 to exercise any right of set-off against any Obligor; and/or
- 19.8.5 to claim or prove as a creditor of any Obligor in competition with any Finance Party.

20. RELEASE

20.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, or, if the Principal Security Agent so agrees, at any other time, the Principal Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 20.1.1 release the Charged Property from this Deed; and

20.1.2 re-assign the Charged Property that has been assigned to the Principal Security Agent under this Deed.

20.2 Reinstatement

If the Principal Security Agent considers in its reasonable opinion that any amount paid or credited to any Finance Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

20.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

20.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

20.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

21. MISCELLANEOUS PROVISIONS

21.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

21.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

21.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

21.2 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

21.3 Counterparts

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

21.4 Deeds of accession

Each of the parties agrees that each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed.

22. NOTICES

The provisions of Clause 36 (*Notices*) of the Facilities Agreement shall apply to any notices issued under this Deed.

23. GOVERNING LAW

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

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGORS

Company name	Company details
Centurion 1 Limited	SC540138 Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Centurion 2 Limited	SC540315 Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Centurion Acquisition Limited	(SC435504) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Conserve Oilfield Services Limited	(03528948) 20-22 Bedford Row, London, WC1R 4JS
Rentair Offshore Limited	(03719503) 20-22 Bedford Row, London, WC1R 4JS
Rentair Limited	(03133771) 20-22 Bedford Row, London, WC1R 4JS
ATR Offshore Holdings Limited	(SC404407) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Offshore Group Limited	(SC403892) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Holdings Limited	(SC305588) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Equipment Solutions Ltd	(SC153427) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Power Solutions Ltd	(SC221515) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
ATR Overseas Limited	(SC317260) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Underwater Engineering Services Limited	(SC272679) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU

ATR Lifting Solutions Limited	(SC122818) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Cosalt Offshore Group Limited	(SC442522) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
STH Holdings Limited	(SC506774) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU
Safety & Technical Hydraulics Limited	(SC286215) Blackwood House, Union Grove Lane, Aberdeen, AB10 6XU

Schedule 2

DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder
Rentair Offshore Limited	15,292,172 ordinary shares of £1 each	Centurion Acquisition Limited
Rentair Limited	300,000 A ordinary shares of US\$0.10 each	Rentair Offshore Limited
Rentair Limited	3,699,600 B ordinary shares of £1 each	Rentair Offshore Limited
Conserve Oilfield Services Limited	100,001 ordinary shares of £1 each	Centurion Acquisition Limited

Schedule 3

DEED OF ACCESSION

THIS DEED OF ACCESSION is made on []

BETWEEN:-

- (1) [] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [];
- (2) [] **LIMITED** (the "**Parent**") for itself and as agent for and on behalf of each of the other Chargors named in the Debenture referred to below; and
- (3) **WELLS FARGO TRUST CORPORATION LIMITED** as the Principal Security Agent.

WHEREAS:-

- (A) The New Chargor is, or will on the date of this Deed of Accession become, a Subsidiary of the Parent.
- (B) The Parent has entered into a deed dated [] (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Debenture**") between the Parent, each of the companies named in the Debenture as Chargors and Wells Fargo Trust Corporation Limited as Principal Security Agent.
- (C) The New Chargor at the request of the Parent and in consideration of the Finance Parties making or continuing to make facilities available to the Parent or any other member of its group and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed of Accession by it will be of benefit to it, has decided in good faith and for the purpose of carrying on its business to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture shall have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 (*Interpretation*) of the Debenture shall apply to this Deed of Accession insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees:-

- 2.1 to become a party to and to be bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed of Accession); and
- 2.2 to be bound by all the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.

3. **SECURITY**

The New Chargor mortgages, charges and assigns to the Principal Security Agent all its business, undertaking and assets on the terms of Clause 3 (*Charges*) of the Debenture, provided that the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the following Shares: [].

4. **EFFECT ON DEBENTURE**

The Debenture and this Deed of Accession shall be read as one so that references in the Debenture to "this Deed", "herein", and similar phrases shall be deemed to include this Deed of Accession.

5. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

EXECUTED AND DELIVERED AS A DEED
by **[NEW CHARGOR]**

EXECUTED AND DELIVERED AS A DEED
by **[PARENT]**

SIGNED for and on behalf of
[Principal Security Agent]

Schedule 4
Form of notice of assignment of insurance

To: **[insert name and address of insurance company]**

Dated: []

Dear Sirs

Re: [here identify the relevant insurance policy(ies)] (the Policies)

We notify you that **[insert name of the Company]** (the **Chargor**) has assigned to **[insert name of Principal Security Agent]** (the **Principal Security Agent**) all its right, title and interest in the Policies as security for certain obligations owed by the Chargor to the Principal Security Agent.

We further notify you that:

1. the Chargor may not agree to amend or terminate the Policies without the prior written consent of the Principal Security Agent;
2. you may continue to deal with the Chargor in relation to the Policies until you receive written notice to the contrary from the Principal Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Principal Security Agent;
3. you are authorised to disclose information in relation to the Policies to the Principal Security Agent on request; and
4. the provisions of this notice may only be revoked with the written consent of the Principal Security Agent.

Please sign and return the enclosed copy of this notice to the Principal Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you [will note/have noted] the Principal Security Agent's interest as first chargee on the Policies;
- (c) after receipt of written notice in accordance with paragraph 2 above, you will pay all monies to which the Chargor is entitled under the Policies direct to such of the Holding Account or the Mandatory Prepayment Account held with a Finance Party (as the Principal Security Agent shall direct and provide details of in its written notice) (and not to the Chargor) unless the Principal Security Agent otherwise agrees in writing;
- (d) you will not cancel or otherwise allow the Policies to lapse without giving the Principal Security Agent not less than 14 days written notice;
- (e) you have not received notice that the Chargor has assigned its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party; and

- (f) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policies.

The provisions of this notice are governed by English law.

Yours faithfully

.....
for and on behalf of
[insert name of Chargor]

[On acknowledgement copy]

To: Wells Fargo Trust Corporation Limited

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (f) above.

.....
for and on behalf of
[insert name of insurance company]

Dated: []

Schedule 5

FORM OF NOTICE OF ASSIGNMENT OF ACQUISITION DOCUMENTS

To: []
[]

Date: []

Dear Sirs,

We give you notice that we have assigned and charged to Wells Fargo Trust Corporation Limited ("**Principal Security Agent**") pursuant to a deed entered into by us in favour of the Principal Security Agent dated [] all our right, title and interest in and to the [] (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:-

- (1) following the Principal Security Agent's notification to you that an Event of Default has occurred all payments by you to us under or arising from the Contract should be made to the Principal Security Agent or to its order as it may specify in writing from time to time;
- (2) all remedies provided for in the Contract or available at law or in equity are exercisable by the Principal Security Agent;
- (3) all rights to compel performance of the Contract are exercisable by the Principal Security Agent although the Company shall remain liable to perform all the obligations assumed by it under the Contract;
- (4) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Principal Security Agent and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Principal Security Agent's consent; and
- (5) you are authorised and instructed, without requiring further approval from us, to provide the Principal Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Principal Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Principal Security Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Principal Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
[]

[On copy only:]

To: **WELLS FARGO TRUST CORPORATION LIMITED**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that:-

- (1) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Principal Security Agent;
- (2) no termination of such rights, interests or benefits shall be effective unless we have given the Principal Security Agent thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination; and
- (3) no breach or default on the part of [] of any of the terms of the Contract shall be deemed to have occurred unless we have given notice of such breach to the Principal Security Agent specifying how to make good such breach.

For and on behalf of []

By:

Dated:

EXECUTION PAGES

EXECUTED AND DELIVERED AS A DEED

by **CENTURION 1 LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED

by **CENTURION 2 LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED

by **CENTURION ACQUISITION LIMITED**

acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **CONSERVE OILFIELD SERVICES LIMITED**
acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **RENTAIR OFFSHORE LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **RENTAIR LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **ATR OFFSHORE HOLDINGS LIMITED**
acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED

by **ATR OFFSHORE GROUP LIMITED** acting by

..... Director
..... Full Name

in the presence of

..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED

by **ATR HOLDINGS LIMITED** acting by

..... Director
..... Full Name

in the presence of

..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED

by **ATR EQUIPMENT SOLUTIONS LTD** acting by

..... Director
..... Full Name

in the presence of

..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **ATR POWER SOLUTIONS LTD** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **ATR OVERSEAS LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **UNDERWATER ENGINEERING SERVICES
LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **ATR LIFTING SOLUTIONS LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **COSALT OFFSHORE GROUP LIMITED**
acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **STH HOLDINGS LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

EXECUTED AND DELIVERED AS A DEED
by **SAFETY & TECHNICAL HYDRAULICS
LIMITED** acting by

..... Director
..... Full Name
in the presence of
..... Witness
..... Full Name

The Principal Security Agent

SIGNED by )
for and on behalf of
**WELLS FARGO TRUST CORPORATION
LIMITED**

Ian Hancock
Director