



Registration of a Charge

Company name: **KCA DEUTAG UK FINANCE PLC**

Company number: **09015065**



X73JN6IX

Received for Electronic Filing: **10/04/2018**

Details of Charge

Date of creation: **09/04/2018**

Charge code: **0901 5065 0003**

Persons entitled: **DEUTSCHE TRUSTEE COMPANY LIMITED**

Brief description: **NOT APPLICABLE**

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: **BRADEN SHEPS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9015065

Charge code: 0901 5065 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th April 2018 and created by KCA DEUTAG UK FINANCE PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th April 2018 .

Given at Companies House, Cardiff on 12th April 2018

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

9 April 2018

KCA DEUTAG UK FINANCE PLC

(as Chargor)

and

DEUTSCHE TRUSTEE COMPANY LIMITED


(as Security Trustee)

ESCROW ACCOUNT CHARGE

LATHAM & WATKINS

99 Bishopsgate
London EC2M 3XF
United Kingdom
Tel: +44.20.7710.1000
www.lw.com

I certify that, save for material redacted pursuant to section 859G of the Companies Act 2006, the enclosed copy of the security instrument delivered as part of this application for registration under section 859A of the Companies Act 2006 is a true and correct copy of the original security instrument.

Signature: 

Date: 10/04/2018

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THIS ESCROW ACCOUNT CHARGE (the “Deed”) is made on 9 April 2018

BETWEEN:

- (1) KCA DEUTAG UK FINANCE PLC, a public company limited by shares incorporated under the laws of England and Wales with registered number 9015065 (the “Chargor”); and
- (2) DEUTSCHE TRUSTEE COMPANY LIMITED as trustee under the Indenture referred to below (the “Security Trustee”).

WHEREAS:

- (A) Pursuant to an indenture (the “Indenture”) dated 9 April 2018 (as amended or supplemented from time to time), by and among, *inter alios*, the Chargor and Deutsche Trustee Company Limited as Trustee, the Chargor will issue US\$ denominated senior secured notes in an aggregate principal amount of US\$ 400,000,000 (the “Notes”).
- (B) The proceeds of the Notes will initially be deposited into an escrow account in accordance with an escrow agreement dated on or about the date hereof (the “Escrow Deed”) between, among others, the Chargor, Citibank, N.A., London Branch as Escrow Agent and the Security Trustee.
- (C) The Chargor enters into this Deed for the purpose of securing the Secured Obligations (as defined below) in favour of the Security Trustee.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless a contrary indication appears, terms used in the Escrow Deed have the same meaning and construction and:

“Administrator” means an administrator appointed under Schedule B1 to the Insolvency Act.

“Charged Account” means the account opened in the name of the Chargor with the Escrow Agent in which the Escrow Agent will receive into its custody the Escrow Funds as contemplated by this Deed, the details of which are as follows:

Swift Code:	REDACTED
Sort Code:	REDACTED
Beneficiary Account Name:	REDACTED
Account Number:	REDACTED

“Charged Rights” means all present and future right, title and interest in and to the Charged Account (including any replacement or substitute account or accounts from time to time and including, without limitation, the Escrow Funds).

“Charges” means all or any of the Security created or expressed to be created by or pursuant to this Deed.

“Currency of Account” means the currency in which the relevant indebtedness is denominated or, if different, is payable.

“Default Rate” means 1 per cent. per annum over the base rate of such bank of international standing as the Security Trustee may choose, from (and including) 14 days after the date of demand to the indemnifier until payment is received.

“Delegate” means a delegate or sub-delegate appointed under Clause 10.2 (*Delegation*).

“Discharge Date” means the date of release of the Escrow Funds by the Escrow Agent in accordance with the provisions of Clause 6 (*Disbursement of Escrow Funds*) of the Escrow Deed.

“Enforcement Event” means the exercise by the Security Trustee of any acceleration rights (or any automatic acceleration) under the Indenture.

“Escrow Agent” means Citibank, N.A., London Branch.

“Escrow Funds” has the meaning given to that term in the Escrow Deed.

“Existing Debenture” means the debenture originally dated 16 May 2014 between, amongst others, the Chargor and Lloyds Bank plc as Security Agent (as amended, supplemented or restated from time to time).

“Insolvency Act” means the Insolvency Act 1986.

“LPA” means the Law of Property Act 1925.

“Notes Documents” means the Indenture, the Notes, the Escrow Deed and this Deed.

“Noteholders” means the holders of the Notes.

“Party” means a party to this Deed.

“Quasi-Security” means a transaction in which the Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by the Chargor or any other member of its Restricted Group;
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Indebtedness or of financing the acquisition of an asset.

“Receiver” means a receiver and manager or other receiver appointed in respect of the Escrow Funds and shall, if allowed by law, include an administrative receiver.

“Secured Obligations” means the full and punctual payment when due and the full and punctual performance of all amounts that may be payable from time to time to the Secured Parties under the Indenture and the Notes.

“Secured Parties” means the Security Trustee, the Trustee, the Noteholders and any Receiver or Delegate.

“Security” means all or any of the security created or expressed to be created by or pursuant to this Deed.

“Trust Property” means:

- (a) the Security and all other powers, rights and guarantees (both present and future) granted to the Security Trustee under or pursuant to the Notes Documents including, without limitation, all representations and warranties, obligations, covenants and other contractual provisions therein given in favour of the Security Trustee as trustee for the Secured Parties (other than any given solely for its own benefit in its capacity as Security Trustee);
- (b) all assets of the Chargor from time to time the subject of the Security created under this Deed;
- (c) all monies received or recovered by the Security Trustee from time to time as security trustee for the Secured Parties under, pursuant to or in connection with any Notes Document; and
- (d) all investments, property, money and other assets at any time representing or deriving from any of the foregoing, including all interest, income and other sums at any time received or receivable by the Security Trustee (or any delegate or sub-delegate of the Security Trustee) in respect of the same (or any part thereof).

1.2 Construction

In this Deed, unless a contrary intention appears, a reference to:

- (a) an “agreement” includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an “amendment” includes any amendment, supplement, variation, novation, modification, replacement or restatement and “amend”, “amending” and “amended” shall be construed accordingly;
- (c) “assets” includes present and future properties, assets, businesses, undertakings, revenues and rights of every description (including uncalled share capital), and any interest in any of the foregoing;
- (d) “including” means including without limitation and “includes” and “included” shall be construed accordingly;
- (e) “losses” includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and “loss” shall be construed accordingly;
- (f) a “person” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, fund, joint venture, consortium or partnership (whether or not having separate legal personality) or any two or more of the foregoing;
- (g) a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law, but if not having the force of law, which are binding or customarily complied with) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and

- (h) the Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Other References

- (a) In this Deed, unless a contrary intention appears, a reference to:
 - (i) the “Chargor”, the “Security Trustee”, any “Secured Party” or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person’s successors in title, permitted assignees and transferees and in the case of the Security Trustee, any person for the time being appointed as Security Trustee in accordance with the Notes Documents;
 - (ii) the “Notes Documents” or any other agreement or instrument is to be construed as a reference to that agreement or instrument or as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced (from time to time) and includes any increase in, extension of or change to any monies made available or other obligations under that Notes Documents or other agreement or instrument;
 - (iii) any clause or schedule is a reference to, respectively, a clause of and schedule to this Deed and any reference to this Deed includes its schedules; and
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.
- (b) The index to and the headings in this Deed are inserted for convenience only and are to be ignored in construing this Deed.
- (c) Words importing the plural shall include the singular and vice versa.

1.4 Incorporation by reference

Unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Escrow Deed shall have the same meanings when used in this Deed.

1.5 Interpretation

In the event of any conflict or inconsistency between the terms of this Deed and the terms of the Escrow Deed, the terms of the Escrow Deed shall prevail.

1.6 Third Party Rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

1.7 Section 1A of the Insolvency Act 1986

Notwithstanding any other provision of this Deed, the obtaining of a moratorium under section 1A of the Insolvency Act, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not impose restrictions on the disposal of property by the Chargor which would not otherwise apply, or constitute a ground for the appointment of a Receiver.

1.8 Declaration of trust

- (a) The Security Trustee hereby accepts its appointment as agent and trustee by the Secured Parties and declares (and the Chargor hereby acknowledges) that the Trust Property is held by the Security Trustee as a trustee for and on behalf of the Secured Parties on the basis of the duties, obligations and responsibilities set out in the Notes Documents (including, for the avoidance of doubt, applying all payments, recoveries or receipts in respect of the Security received after taking any enforcement action in accordance with the Indenture).
- (b) Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts created by this Deed or any other Notes Document. In performing its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting only in a mechanical and administrative capacity or as expressly provided in this Deed and the other Notes Documents.
- (c) In acting as trustee for the Secured Parties under this Deed, the Security Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments. Any information received by some other division or department of the Security Trustee may be treated as confidential and shall not be regarded as having been given to the Security Trustee's trustee division.

2. UNDERTAKING TO PAY

The Chargor, as primary obligor, hereby covenants with and undertakes to the Security Trustee (acting on behalf of itself and the Noteholders) that it shall duly and punctually pay or discharge the Secured Obligations to the Security Trustee (on its own behalf and as trustee for the Secured Parties) as they become due, owing or payable by the Chargor in accordance with the terms of the Notes Documents.

3. CHARGING PROVISIONS

3.1 Specific Security

- (a) The Chargor, with full title guarantee and as security for the payment of the Secured Obligations:
 - (i) charges in favour of the Security Trustee (as trustee for the Secured Parties) by way of first fixed charge, all of its present and future rights, title and interest in and to the Charged Rights; and
 - (ii) to the extent not effectively charged under paragraph (a) above, assigns absolutely with full title guarantee to the Security Trustee all its rights, title, interest and benefit in or under the Charged Rights including, in each case, all monies from time to time standing to the credit of the Charged Account (including any interest and other sums accruing thereon), together with all of its rights, title and interest in, and benefits and proceeds deriving from or arising in connection with the Charged Account.
- (b) For the avoidance of doubt, the Charged Rights are excluded from all charges (except for any floating charge that may exist over such Charged Rights) created over the Charged Rights pursuant to the Existing Debenture.

3.2 Notice of Charge

The Chargor shall, on the date of this Deed, deliver to the Escrow Agent a notice in the form set out in Schedule 1 (*Form of Account Notice*) and the Chargor shall use its reasonable endeavours to obtain acknowledgement of such notice from the Escrow Agent and deliver such acknowledgement to the Security Trustee. If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgment, its obligation to obtain acknowledgment of such notice shall cease within ten (10) Business Days from the date of this Deed.

4. NEGATIVE PLEDGE AND FURTHER ASSURANCE

4.1 Security

The Chargor shall not create or permit to subsist any Security or Quasi-Security over all or any part of the Charged Rights except as permitted by the Notes Documents or as may be existing pursuant to any floating charge over the Charged Rights pursuant to the Existing Debenture.

4.2 Disposal

The Chargor shall not (nor shall the Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of all or any part of the Charged Rights except as permitted by the Notes Documents or with the prior written consent of the Security Trustee.

4.3 Further assurance

The Chargor shall promptly do whatever the Security Trustee reasonably requires:

- (a) to create, perfect or protect the Charges or the priority of the Charges; or
- (b) after the occurrence of an Enforcement Event, to facilitate the realisation of the Charged Rights or the exercise of any rights vested in the Security Trustee or any Receiver, including executing any transfer, charge, assignment or assurance of the Charged Rights (whether to the Security Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction.

5. REPRESENTATIONS AND WARRANTIES

No encumbrance

- (a) Except for the Security, and any other security permitted by the Notes Documents or as may be existing pursuant to any floating charge over the Charged Rights pursuant to or created by the Existing Debenture, no encumbrance exists on or over all or any part of the Charged Rights.
- (b) Except as permitted by the Notes Documents or otherwise pursuant to the Existing Debenture, the Chargor has not assigned, transferred or otherwise disposed of the Charged Rights (or its right, title and interest to or in the Charged Rights), either in whole or in part, nor agreed to do so.
- (c) Except as permitted by the Notes Documents or otherwise pursuant to the Existing Debenture, the Chargor is the sole legal and beneficial owner of, and absolutely entitled to, the Charged Rights.

6. UNDERTAKINGS

6.1 Information

The Chargor shall promptly supply the Security Trustee with such information regarding the Charged Account as the Security Trustee may reasonably request in writing from time to time.

6.2 No prejudicial conduct

The Chargor shall not do, or, to the extent within its control, permit to be done, anything which could reasonably be expected to prejudice the Security. The Chargor shall promptly notify the Security Trustee of any circumstances, other than pursuant to the Escrow Deed or the Notes Documents, which give rise, or may reasonably be expected to give rise, to a claim on or in relation to the Charged Rights.

6.3 No withdrawals

The Chargor shall not withdraw or attempt to withdraw all or any part of the Escrow Funds except (a) with the prior written consent of the Security Trustee or (b) as expressly permitted or in the manner contemplated by the provisions of the Escrow Deed.

7. SECURITY TRUSTEE'S POWER TO REMEDY

7.1 Power to Remedy

If the Chargor fails to comply with any obligation applicable to it set out in Clause 3.2 (*Notice of Charge*) or Clause 6 (*Undertakings*) and that failure is not remedied to the satisfaction of the Security Trustee (acting reasonably) within 7 days of the Security Trustee giving notice to the Chargor or the Chargor becoming aware of the failure to comply, it will allow (and irrevocably authorises) the Security Trustee or any person which the Security Trustee nominates to take any action on behalf of the Chargor which is necessary to ensure that those obligations are complied with.

7.2 Indemnity

The Chargor will indemnify the Security Trustee against all losses incurred by the Security Trustee as a result of a breach by the Chargor of its obligations under Clause 3.2 (*Notice of Charge*) or Clause 6 (*Undertakings*) and in connection with the exercise by the Security Trustee of its rights contained in Clause 7.1 (*Power to Remedy*) above. All sums the subject of this indemnity will be payable by the Chargor to the Security Trustee on demand and if not so paid will bear interest at the Default Rate. Any unpaid interest will be compounded with monthly rests.

8. ENFORCEMENT

8.1 When enforceable

As between the Chargor and the Security Trustee, the Charges shall be enforceable, and the powers conferred by Section 101 of the LPA as varied and extended by this Deed shall be exercisable, immediately upon the occurrence of an Enforcement Event.

8.2 Power of sale

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

8.3 Section 103 LPA

Section 103 of the LPA shall not apply to this Deed.

8.4 Bank Accounts

At any time after an Enforcement Event has occurred the Security Trustee may and is hereby irrevocably and unconditionally authorised, without further enquiry and without either giving notice to the Chargor or obtaining any consent, to apply the whole or part of all monies standing to the credit of the Charged Account in or towards payment of the Secured Obligations in accordance with the Clause 11 (*Order of Distributions*) of this Deed.

9. APPOINTMENT AND RIGHTS OF RECEIVERS

9.1 Appointment of receivers

After the occurrence of an Enforcement Event (whether or not the Security Trustee has taken possession of the Charged Rights), without any notice or further notice, the Security Trustee may, by deed, or otherwise in writing signed by any officer or manager of the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver. The Security Trustee may similarly remove any Receiver and appoint any person instead of any Receiver (subject to section 45 of the Insolvency Act in the case of administrative receivership). If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally. Section 109(1) of the LPA shall not apply to this Deed.

9.2 Scope of appointment

Any Receiver may be appointed Receiver of all of the Charged Rights or Receiver of a part of the Charged Rights specified in the appointment.

9.3 Powers of Receivers

Any Receiver appointed pursuant to this Clause 9 shall have the rights, powers, privileges and immunities conferred by the LPA and the Insolvency Act on administrative or other receivers duly appointed under the Insolvency Act. In addition, notwithstanding any liquidation of the Chargor, each Receiver shall have power to:

- (a) redeem any prior Security on or relating to the Charged Rights and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (b) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating to any of the Charged Rights; and
- (c) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 9.3, or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Rights, and use the name of the Chargor for all such purposes,

and in each case may use the name of the Chargor and for the purpose of exercising the powers referred to above in any manner which he may think fit.

9.4 Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by the Receiver.

9.5 Remuneration

The Security Trustee may determine the remuneration of any Receiver and direct payment of that remuneration out of moneys he receives as Receiver. The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver. Sections 109(6) and (8) of the LPA shall not apply to a Receiver appointed under this Deed.

10. PROTECTION OF SECURITY TRUSTEE AND RECEIVER

10.1 Security Trustee

- (a) The provisions set out in the Indenture shall govern the rights, duties and obligations of the Security Trustee under this Deed.
- (b) The Security Trustee is entering into this Deed solely in its capacity as Security Trustee, and not in its individual capacity. The Security Trustee shall have all of the rights, benefits, protections, limits, immunities and indemnities as set forth in the Notes Documents, all of which shall be deemed fully incorporated into this Deed *mutatis mutandis*.
- (c) The Security Trustee undertakes to perform or to observe only such of its agreements and obligations as are specifically set forth in this Deed and pursuant to the Notes Documents. The Security Trustee is not a fiduciary of and shall not owe or be deemed to owe any fiduciary duty to the Chargor or any of its respective affiliates.
- (d) From time to time, the Chargor shall execute and deliver to the Security Trustee such additional documents, and take such other actions as the Security Trustee may deem reasonably necessary or desirable to carry out the purposes of this Deed or necessary to preserve and protect the Security Trustee's rights as contemplated herein.
- (e) It is agreed as follows:
 - (i) the rights and remedies of the Security Trustee in relation to any misrepresentations or breach of warranty on the part of the Chargor shall not be prejudiced by any investigation by or on behalf of the Security Trustee into the affairs of the Chargor, by the execution or the performance of this Deed or by any other act or thing which may be done by or on behalf of the Security Trustee in connection with this Deed and which might, apart from this paragraph (b)(i), prejudice such rights or remedies;
 - (ii) no failure by either the Security Trustee or its delegate to exercise, nor any delay by such party in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercises thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by applicable law; and

- (iii) the rights and remedies provided in this Deed and the other Notes Documents are cumulative and not exclusive of any other rights or remedies, whether provided by the Notes Documents, applicable law or otherwise.
- (f) The Security Trustee shall be entitled to rely, and shall be fully protected in relying, upon any communication or document reasonably believed by it to be genuine and correct and to have been signed, sent or made by the proper person or persons and upon advice and statements of legal counsel, independent accountants and other experts selected by the Security Trustee. The Security Trustee shall have no obligation to any person to act or refrain from acting or exercising any of its rights under this Deed.

10.2 Delegation

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

10.3 Cumulative Powers

The powers which this Deed confers on the Security Trustee, the other Secured Parties and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Trustee, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Trustee, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

10.4 Financial collateral arrangement

- (a) To the extent that any of the Charged Rights constitute “financial collateral” and this Deed and the obligations of the Chargor hereunder constitute a “financial collateral arrangement” (in each case as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the “**Regulations**”)) the Security Trustee shall have the right, at any time after the occurrence of an Enforcement Event, to appropriate all or any part of the Charged Rights which constitute “financial collateral” (as defined in the Regulations) in or towards satisfaction of the Secured Obligations in accordance with the Regulations and may exercise that right to appropriate by giving notice to the Chargor at any time after an Enforcement Event has occurred.
- (b) The Parties agree that the value of any such appropriated financial collateral shall be:
 - (x) in the case of securities listed or traded on a recognised exchange, the price at which such securities can be disposed of by the Security Trustee on the date of appropriation; and
 - (y) in the case of any other asset, the market value of such financial collateral as determined by the Security Trustee, in each case, in a commercially reasonable manner.The Parties agree that the methods of valuation provided for in this paragraph shall constitute commercially reasonable methods of valuation for the purposes of the Regulations.

11. ORDER OF DISTRIBUTIONS

11.1 Order of Distributions

Without prejudice to any other provision of this Deed, following the occurrence of an Enforcement Event, all monies received or recovered by the Security Trustee or any Receiver

pursuant to this Deed shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Indenture notwithstanding any purported appropriation by the Chargor.

11.2 Section 109 Law of Property Act 1925

Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

11.3 Application against Secured Obligations

Subject to Clause 11.1 above, any moneys or other value received or realised by the Security Trustee from the Chargor or a Receiver under this Deed may be applied by the Security Trustee to any item of account or liability or transaction forming part of the Secured Obligations to which they may be applicable in any order or manner which the Security Trustee may determine.

12. LIABILITY OF SECURITY TRUSTEE, RECEIVERS AND DELEGATES

12.1 Possession

If the Security Trustee, any Receiver or any Delegate takes possession of the Charged Rights, it or he may at any time relinquish possession. Without prejudice to Clause 12.2 (*Security Trustee's liability*), the Security Trustee shall not be liable as a mortgagee or heritable creditor in possession by reason of viewing or repairing any of the present or future assets of the Chargor.

12.2 Security Trustee's liability

Neither the Security Trustee nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Rights or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Chargor, any Secured Party or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Rights or from any act, default, omission or misconduct of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Rights or in connection with the Notes Documents except to the extent caused by its or his own gross negligence or wilful misconduct.

13. POWER OF ATTORNEY

13.1 Appointment

- (a) The Chargor by way of security irrevocably appoints the Security Trustee, every Receiver and every Delegate severally as its attorney (with full power of substitution), on its behalf and in its name or otherwise, following the occurrence of an Enforcement Event (or a failure to comply with a written request to fulfil a further assurance or perfection obligation within 20 Business Days of request), to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it is required to execute or do under the terms of this Deed or to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Charged Rights or under any Notes Document, the LPA or the Insolvency Act.
- (b) The power of attorney granted pursuant to paragraph (a) shall be immediately and automatically terminated on the Discharge Date.

13.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (*Appointment*) except to the extent the attorney is acting negligently, with wilful misconduct or in breach of law or the terms of the Notes Documents.

14. PROTECTION OF THIRD PARTIES

14.1 No duty to enquire

No person dealing with the Security Trustee, any other Secured Party, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the rights conferred by or pursuant to this Deed or any other Notes Document are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or
- (d) as to the application of any money borrowed or raised.

14.2 Protection to purchasers

All the protection to purchasers contained in Sections 104 and 107 of the LPA, Section 42(3) of the Insolvency Act or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any other Secured Party, any Receiver or any Delegate.

15. COSTS AND EXPENSES

15.1 Initial Expenses

The Chargor shall on demand pay to each of the Security Trustee and any Receiver the amount of all costs and expenses (including legal fees) properly incurred by any of them in connection with:

- (a) the negotiation, preparation, execution, completion and perfection of this Deed and any other documents or notices referred to in, or related or incidental to, this Deed; and
- (b) any amendment, waiver or consent relating to this Deed (and documents, matters or things referred to in this Deed).

15.2 Enforcement Expenses

The Chargor shall, within three Business Days of demand, pay to each of the Security Trustee, any Receiver and each other Secured Party the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under (and any documents referred to in) this Deed and any proceedings instituted by or against the Security Trustee and any Secured Party as a consequence of taking or holding the Security created under this Deed or enforcing these rights.

15.3 Stamp Duties, etc

The Chargor shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this Deed.

15.4 Default Interest

If not paid when due, the amounts payable under this Clause 15 shall carry interest compounded with monthly rests at the Default Rate (after as well as before judgment), from the date of demand and shall form part of the Secured Obligations.

16. SAVING PROVISIONS

16.1 Continuing Security

Subject to Clause 17 (*Discharge of Security*), the Charges are continuing Security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

16.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor and the Charges under this deed shall continue or be reinstated as if the discharge, release, or arrangement had not occurred.

16.3 Waiver of defences

The obligations of the Chargor under this Deed and the Charges will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Notes Document of any of the Charges (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, the Chargor or other person;
- (b) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Restricted Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Notes Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Notes Document or other document or security;

- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Notes Document or any other document or security; or
- (g) any insolvency or similar proceedings.

16.4 Immediate recourse

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

16.5 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to the Secured Obligations have terminated, each Secured Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

16.6 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to the Secured Obligations have terminated and unless the Security Trustee otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Notes Documents:

- (a) to be indemnified by any Debtor or Chargor;
- (b) to claim any contribution from any other provider of any Security for or any other guarantor of the Chargor's obligations under the Notes Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Notes Documents or of any guarantee or other security taken pursuant to, or in connection with, the Notes Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under this Deed;
- (e) to exercise any right of set-off against the Chargor; and/or
- (f) to claim or prove as a creditor of the Chargor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Chargor under or in connection with

the Notes Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 18 (*Payments*).

16.7 Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or security now or subsequently held by any Secured Party.

17. DISCHARGE OF SECURITY

17.1 Final redemption

Subject to Clause 17.2 (*Retention of security*), if all the Secured Obligations have been paid or discharged in full and all contingent liabilities have been repaid or terminated in full (or on such earlier date as any part of the Charged Rights are disposed of as permitted by the Notes Documents or with the prior consent of the Security Trustee), the Security Trustee shall, at the cost and request of the Chargor, take such steps to release, reassign or discharge (as appropriate) the Charged Rights from the Security in accordance with the terms of the Notes Documents.

17.2 Retention of security

If any amount paid or credited to any Secured Party under any Notes Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.

17.3 Releases

The Security Trustee shall release all security granted by this Deed promptly following the Discharge Date.

17.4 Consolidation

Section 93 of the LPA shall not apply to the Charges.

18. REDEMPTION OF PRIOR CHARGES

The Security Trustee may, at any time after an Enforcement Event has occurred, redeem any prior Charges on or relating to any of the Charged Rights or procure the transfer of the Charge to itself, and may settle and pass the accounts of any person entitled to that prior Charge. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor. The Chargor shall within five Business Days of demand pay to the Security Trustee all principal monies and interest and all costs and expenses (including, but not limited to, legal fees (subject to agreed caps, if any)) properly incurred in connection with any such redemption or transfer.

19. CHANGES TO PARTIES

It is agreed as follows:

- (a) this Deed shall bind and inure to the benefit of the respective successors and assigns of the Parties, except that the Chargor may not assign or otherwise transfer all or any part of its rights or obligations under this Deed without the prior written consent of the Security Trustee; and

- (b) the Security Trustee may at any time assign or otherwise transfer all or any part of its rights under this Deed.

20. PAYMENTS

20.1 Payments

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the Currency of Account and to such account, with such financial institution and in such other manner as the Security Trustee may direct.

20.2 Continuation of accounts

At any time after:

- (a) the receipt by any Secured Party of notice (either actual or otherwise) of any subsequent Security affecting the Charged Rights (which are charged in favour of such Secured Party) of the Chargor; or
- (b) the presentation of a petition or the passing of a resolution in relation to the winding-up of the Chargor,

any Secured Party may open a new account in the name of the Chargor with that Secured Party (whether or not it permits any existing account to continue). If that Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred. No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the amount recoverable pursuant to any Notes Document to which the Chargor is party.

21. RIGHTS, WAIVERS AND DETERMINATIONS

21.1 Exercise of rights

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, Receiver or Delegate, any right or remedy under any Notes Document shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Notes Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

21.2 Amendments and waivers

Any term of this Deed may be amended or waived only with the consent of the Security Trustee and the Chargor.

21.3 Partial Invalidity

If any provision of this Deed shall be prohibited, illegal, invalid or unenforceable under applicable law, it shall be ineffective only to such extent and in the relevant jurisdiction, without invalidating or otherwise detrimentally affecting the remainder of this Deed.

22. NOTICES

Each communication to be made under or in connection with this Agreement shall be made in accordance with Clause 14 (*Notices*) of the Escrow Deed, as though the same was set out herein *mutatis mutandis*.

23. 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.

24. GOVERNING LAW

This Deed and any non-contractual claims arising out of or in connection with it shall be governed by English law and construed in accordance with English law.

25. JURISDICTION

25.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed) or any non-contractual obligation arising out of or in connection with this Deed (a “Dispute”).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 23.1 is for the benefit of the Security Trustee only. As a result, Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

In witness whereof this Deed has been duly delivered on the date stated at the beginning of this Deed.

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SCHEDULE 1

FORM OF ACCOUNT NOTICE

To: Citibank, N.A., London Branch as Escrow Agent (the “Escrow Agent”)

Dated: __ April 2018

Dear Sirs,

We refer to the account in our name and maintained with you, designated:

Account name: REDACTED Account; sort code: REDACTED; account number: REDACTED (the “Charged Account”).

- 1.1 All capitalised terms used herein without definition shall have the meaning given to that term in the Escrow Deed dated __ April 2018 between ourselves, Deutsche Trustee Company Limited and the Escrow Agent (the “Escrow Deed”).
- 1.2 We hereby give you notice that we have charged by way of a first-ranking fixed charge pursuant to an account charge dated __ April 2018 (the “Account Charge”) between ourselves and Deutsche Trustee Company Limited for itself and for the Noteholders (the “Security Trustee”), all our present and future rights, title and interest in the Charged Account (including any replacement or substitute account or accounts from time to time and including, without limitation, the Escrow Funds).
- 1.3 We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given you to the contrary and without requiring you to make any reference to or seek any further authority from us or to make any enquiry as to the justification for or validity of any notice, statement, requirement or direction) as follows:
 - (a) to disclose to the Security Trustee such information relating to the Charged Account as the Security Trustee may, from time to time, request you to disclose to it; and
 - (b) until the date of release of the Escrow Funds by the Escrow Agent in accordance with the provisions of Clause 6 (*Disbursement of Escrow Funds*) of the Escrow Deed:
 - (i) to hold all monies standing to the credit of the Charged Account as banker;
 - (ii) on receipt by you of an Enforcement Notice from the Security Trustee (including, for the avoidance of doubt, by way of e-mail as provided in the Escrow Deed) to hold all monies standing to the credit of the Escrow Account to the order of the Security Trustee;
 - (iii) at any time after receipt of an Enforcement Notice from the Security Trustee, to comply with the terms of any written notice, statement or instructions (including, for the avoidance of doubt, by way of e-mail as provided in the Escrow Deed) which you receive from the Security Trustee and which in any way relate to or purport to relate to the Charged Account and the monies standing to the credit thereof from time to time; and
 - (iv) except as expressly permitted by the Escrow Deed, not to agree any change to the mandate for the Charged Account or close the Charged Account without the consent of the Security Trustee; and

(c) to distribute the Escrow Funds in accordance with the terms of the Escrow Deed.

1.4 We also advise you that:

- (a) we may not withdraw any monies from the Charged Account without first having obtained the prior written consent of the Security Trustee or as otherwise permitted by the provisions of the Escrow Deed; and
- (b) by counter-signing this notice the Security Trustee confirms that we may not make withdrawals from the Charged Account until such time as the Security Trustee shall notify you (with a copy to the us) in writing that they have given their permission to such withdrawal unless such withdrawal is expressly permitted by the Escrow Deed. Any such permission, unless such withdrawal is expressly permitted by the Escrow Deed, may be withdrawn or modified by the Security Trustee in its absolute discretion at any time. For avoidance of doubt, no certification from the Security Trustee will be required to confirm if a withdrawal is permitted by the Escrow Deed.

1.5 The instructions and authorisations which are contained in this letter are without prejudice to the protections given to you in the Escrow Deed and shall remain in full force and effect until the Security Trustee gives you written notice revoking them.

1.6 We hereby irrevocably authorise you to take the actions described above upon receipt of an Enforcement Notice and we hold you harmless in connection therewith.

1.7 This letter and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

1.8 Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and agreement and returning it to us and the Security Trustee.

Yours faithfully

for and on behalf of

KCA Deutag UK Finance Plc

Name: _____

Title: _____

Acknowledged by

for and on behalf of

Deutsche Trustee Company Limited

Name: _____

Title: _____

Name: _____

Title: _____

Address:

Attention:

SCHEDULE 2

FORM OF ACKNOWLEDGEMENT AND AGREEMENT

From: Citibank, N.A, London Branch acting through its Agency & Trust business (the “Escrow Agent”)

To: KCA Deutag UK Finance Plc (the “Chargor”)

Address:

Attention:

and

To: Deutsche Trustee Company Limited (the “Security Trustee”)

Address:

Attention:

Dear Sirs

We acknowledge receipt of a notice (the “Notice”) dated [●] 2018 and addressed to us by the Chargor regarding the account mentioned in such notice (the “Charged Account”).

We acknowledge and confirm that:

- (i) we accept the instructions and authorisations contained in the notice and agree to comply with its terms;
- (ii) we have not made and, until you give us notice in writing that the Charged Account and the monies from time to time standing to the credit thereof have been released from the charge granted in favour of the Security Trustee pursuant to the terms of the Account Charge (as defined in the Notice) by the Chargor, will not make or exercise any claims or demands, rights of combination, consolidation or set-off or any other equities against the Chargor in respect of the Charged Account and the monies from time to time standing to the credit thereof (other than as set out in the Escrow Deed); and
- (iii) Citibank London’s Agency & Trust business has not received any notice in writing that any third party has or may have any rights, title or interest in or to, or has made or may be making any claim or demand or taking any action against, the Charged Account and the monies from time to time standing to the credit thereof (other than as set out in the Escrow Deed).

If Citibank London’s Agency & Trust business becomes aware at any time that any person or entity other than yourselves has or may have any rights, title or interest in or to, or has or may be making any claim or demand or taking any action against, the Charged Account (other than as set out in the

Escrow Deed), we will, as soon as practicable, give written notice to you of the terms of such rights, title or interest, claim, demand or action.

We confirm that, until you (the Security Trustee) give us notice in writing (including, for the avoidance of doubt, by way of e-mail) the Chargor may not make transfers or withdrawals from the Charged Account except as expressly permitted by the provisions of the Escrow Deed.

This acknowledgement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

for and on behalf of

Citibank, N.A., London Branch, acting through its Agency & Trust business, as Escrow Agent

By: _____

Name:

Title:

SIGNATORIES TO DEED

THE CHARGOR

EXECUTED as a DEED by
KCA Deutag UK Finance Plc acting by:

REDACTED

Name: ANTHONY BYRNE
Title: DIRECTOR
REDACTED

Name: GARY PAVER
Title: DIRECTOR

Notice details:

Address: KCA DEUTAG, Bankhead Drive, City South Office Park,
Portlethen, Aberdeenshire, AB12 4XX
Email: Jan.Hetherington@kcadeutag.com
Attention: Jan Hetherington

THE SECURITY TRUSTEE

**EXECUTED AS A DEED by
Deutsche Trustee Company Limited**

REDACTED

By: _____

Name: Kieran Odedra
Title: Associate Director

REDACTED

By: _____

Name:
Title: David Contino
Associate Director

Notice details:

Address: Winchester House
1 Great Winchester Street
London EC2N 2DB

Fax: +44 20 7547 6149

Attention: Debt and Agency Services