



**Registration of a Charge**

Company name: **ENSCO 1120 LIMITED**

Company number: **09426000**



X44G5PXN

Received for Electronic Filing: **02/04/2015**

---

**Details of Charge**

Date of creation: **31/03/2015**

Charge code: **0942 6000 0001**

Persons entitled: **ICG-LONGBOW DEBT INVESTMENTS NO.4 S.À.R.L.**

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 THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **WRAGGE LAWRENCE GRAHAM & CO**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 9426000

Charge code: 0942 6000 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st March 2015 and created by ENSCO 1120 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd April 2015 .

Given at Companies House, Cardiff on 7th April 2015

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**



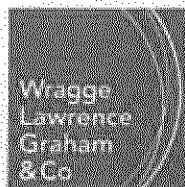
THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 31 March 2015

- (1) ICG-LONGBOW EQUITY INVESTMENTS NO. 4 S.À R.L. AND ENSCO 1120 LIMITED  
AS CHARGORS
- (2) ICG-LONGBOW DEBT INVESTMENTS NO. 4  
S.À R.L.  
AS LENDER

CHARGE OVER SHARES

WE CERTIFY THIS TO BE A TRUE AND COMPLETE  
PHOTOGRAPHIC COPY OF THE ORIGINAL  
*Wragge Lawrence Graham & Co*  
WRAGGE LAWRENCE GRAHAM & CO LLP SOLICITORS  
4 MORE LONDON, RIVERSIDE LONDON SE1 2AU  
DATE 1/4/15



## CONTENTS

CLAUSE	PAGE
1	DEFINITIONS AND INTERPRETATION ..... 1
2	GRANT OF SECURITY..... 5
3	CONTINUING SECURITY ..... 6
4	LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS ..... 6
5	REPRESENTATIONS ..... 7
6	UNDERTAKINGS BY THE CHARGOR ..... 10
7	POWER TO REMEDY ..... 11
8	WHEN SECURITY BECOMES ENFORCEABLE ..... 12
9	ENFORCEMENT OF SECURITY ..... 13
10	RECEIVER ..... 15
11	POWERS OF RECEIVER ..... 16
12	APPLICATION OF PROCEEDS ..... 18
13	DELEGATION ..... 19
14	FURTHER ASSURANCES ..... 19
15	POWER OF ATTORNEY ..... 19
16	PAYMENTS..... 20
17	STAMP DUTY ..... 20
18	COSTS AND EXPENSES ..... 21
19	ENFORCEMENT AND PRESERVATION COSTS ..... 21
20	DEFAULT INTEREST ..... 21
21	CURRENCIES..... 21

22	INDEMNITY.....	22
23	MISCELLANEOUS.....	22
24	THIRD PARTY CLAUSES.....	24
25	NOTICES.....	27
26	PARTIAL INVALIDITY.....	28
27	RELEASE.....	28
28	COUNTERPARTS.....	28
29	GOVERNING LAW.....	28
30	ENFORCEMENT.....	29

THIS CHARGE OVER SHARES is made on 31 March 2015

**BETWEEN:**

- (1) **ICG-LONGBOW EQUITY INVESTMENTS No. 4 S.À R.L.** of 2, Boulevard Konrad Adenauer, L-1115 Luxembourg ("**LB Equity**");
- (2) **ENSCO 1120 LIMITED** (company number 9426000) with its registered office at 1<sup>st</sup> floor, 9-10 Staple Inn, London WC1V 7QH (together with LB Equity, the "**Chargors**"); and
- (3) **ICG-LONGBOW DEBT INVESTMENTS NO. 4 S.À R.L.** of 2, Boulevard Konrad Adenauer, L-1115 Luxembourg (the "**Lender**").

**IT IS AGREED:**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Facilities Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and
- (b) the following terms have the following meanings:

<b>Act</b>	means the Law of Property Act 1925
<b>Default Rate</b>	means the rate of interest determined in accordance with Clause 10.4 ( <i>Default interest</i> ) of the Facilities Agreement
<b>Facilities Agreement</b>	means the facilities agreement dated on or about the date of this Deed and made between (1) WD Chatham Limited as Borrower and (2) the Lender pursuant to which the Lender agreed to make certain facilities available to the Borrower
<b>Shareholders' Agreement</b>	means the joint venture agreement dated on or about the date of this Deed relating to the Borrower and made between (1) the Shareholders and (2) the Borrower

**Shareholder Event**

means in respect of the Chargor any:

- (a) of the circumstances described in Clause 22.6 (*Insolvency*) of the Facilities Agreement apply to it;
- (b) corporate action, legal proceedings or other procedure or step described in Clause 22.7 (*Insolvency Proceedings*) of the Facilities Agreement has been taken in relation to it;
- (c) creditor's process described in Clause 22.8 (*Creditor's Process*) of the Facilities Agreement has occurred in relation to it; or
- (d) litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened against the Security Assets

**Party**

means a party to this Deed

**Receiver**

means any receiver, receiver and manager or administrative receiver appointed by the Lender under this Deed

**Related Rights**

means

- (a) all dividends, distributions and other income paid or payable in relation to the Securities or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise

**Secured Obligations**

means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally or alone or in any other capacity whatsoever whether owed as principal or surety and whether or not in respect of indebtedness) of the Borrower to the Lender under or in connection with any Finance Document

**Securities**

means all shares or other securities legally and/or beneficially owned from time to time by or on behalf of the Chargors in the share capital of the Borrower including, without limitation, those specified in Schedule 1 (*Securities*)

<b>this Security</b>	means the Security created or evidenced by or pursuant to this Deed
<b>Security Assets</b>	means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed; and
<b>Security Period</b>	means the period beginning on the date of this Deed and ending on the date on which: <ul style="list-style-type: none"> <li>(a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and</li> <li>(b) the Lender has no further commitment, obligation or liability under or pursuant to the Finance Documents.</li> </ul>

## 1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
  - (i) the "**Chargors**", the "**Borrower**" or the "**Lender**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (ii) "**this Deed**", the "**Facilities Agreement**", any other "**Finance Document**" or any other agreement or instrument shall be construed as a reference to this Deed, the Facilities Agreement, such other Finance Document or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Borrower or the Chargor or provides for further advances);
  - (iii) "**assets**" includes any present and future properties, revenues and rights of every description and includes uncalled capital;
  - (iv) a Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived in writing and an Event of Default or Shareholder Event is "**continuing**" if that Event of Default or Shareholder Event has not been waived in writing, in each case to the satisfaction of the Lender;
  - (v) "**including**" or "**includes**" means including or includes without limitation;
  - (vi) "**Secured Obligations**" includes, without limitation:



- (A) any refinancing, further advances, novation, deferral, or extension of the facility under the Finance Documents;
- (B) any claim for (a) breach of representation, warranty or undertaking or on any Event of Default or under any indemnity or (b) damages or restitution;
- (C) obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of, or similar event affecting the Chargor, or any other person, including without limitation:
  - 1) any claim as a result of any recovery by the Chargor or any other person of a payment on the grounds of preference or otherwise; and
  - 2) any amounts which would be included as Secured Liabilities but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any such insolvency, dissolution or other proceedings;
- (vii) a provision of law is a reference to that provision as amended or re-enacted;
- (viii) the singular includes the plural and vice versa; and
- (ix) words in one gender include any other gender.
- (b) References to clauses are to be construed, unless otherwise stated, as references to clauses of this Deed.
- (c) Clause headings are for convenience only and shall not affect the construction of this Deed.
- (d) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period.
- (e) If the Lender reasonably considers that an amount paid by the Borrower or the Chargors or any other person in connection with the satisfaction of the Secured Obligations is capable of being avoided or otherwise set aside on the liquidation,

bankruptcy or administration (whether out of court or otherwise) of the Borrower or the Chargors or any other person, as applicable, or otherwise, then (a) the security constituted by this Deed shall continue and (b) that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

- (f) 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 Third party rights

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

## 2 GRANT OF SECURITY

### 2.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Lender;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

### 2.2 Securities

Each Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it and/or any nominee or other person on its behalf, or in which it from time to time has an interest:

- (a) by way of first legal mortgage and/or first fixed charge the Securities, together with all Related Rights from time to time relating to that Security; and
- (b) by way of fixed charge the Security Assets;

- (c) to the extent not effectively assigned under Clause 2.3 (Shareholders' Agreement), all its rights and remedies in connection with the Shareholders' Agreement and all proceeds and claims arising from them.

### 2.3 Shareholders' Agreement

Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future rights, title and interest to the Shareholders' Agreement, all rights and remedies in connection with the Shareholders' Agreement and all proceeds and claims arising from them.

## 3 CONTINUING SECURITY

### 3.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

### 3.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Lender may at any time hold for any Secured Obligation.

### 3.3 Right to enforce

This Deed may be enforced against the Chargors without the Lender first having recourse to any other right, remedy, guarantee or Security held by or available to it.

## 4 LIABILITY OF THE CHARGORS RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargors remain liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of such condition or obligation.

## **5 REPRESENTATIONS**

### **5.1 General**

Each Chargor makes the representations and warranties set out in this Clause 5 to the Lender.

### **5.2 Status**

(a) It is a limited liability corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

(b) It has the power to own its assets and carry on its business as it is being conducted.

### **5.3 Binding obligations**

Subject to the Legal Reservations:

(a) the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and

(b) without limiting the generality of Clause 5.3(a):

(i) this Deed creates the Security which it purports to create; and

(ii) that Security is valid and effective and is not liable to be avoided or otherwise set aside on its liquidation, administration or otherwise.

### **5.4 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by this Deed do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) its Constitutional Documents; or

(c) any agreement or instrument binding upon it or any of its assets or constitute a

default or termination event (however described) under any such agreement or instrument.

#### 5.5 Power and authority

- (a) It has the power to enter into, perform and deliver, and it has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by it.
- (b) No limit on its powers will be exceeded as a result of the grant of security or giving of indemnities contemplated by this Deed.
- (c) It is acting in all matters relating to this Deed for its own account and not as trustee, nominee or agent or in any other capacity whatsoever.

#### 5.6 Validity and admissibility in evidence

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect.

#### 5.7 No Security

The Securities and Related Rights are, or when acquired will be, legally and beneficially owned and controlled by the Chargors free from any Security other than as created by this Deed.

#### 5.8 Securities

The Securities are fully paid.

#### 5.9 Governing law and enforcement

- (a) The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

#### 5.10 Insolvency

No Shareholder Event is currently taking place or occurring, has occurred or been taken or, to its knowledge after making due and careful enquiry, threatened in relation to it.

#### 5.11 Ranking

This Security has a first ranking priority and is not subject to any prior ranking or *pari passu* Security.

#### 5.12 Centre of main interest and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**") each Chargor's "*centre of main interest*" (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "*establishment*" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

#### 5.13 Time when representations made

- (a) All the representations and warranties in this Clause 5 are made by the Chargors on the date of this Deed and (except for the representations and warranties in Clause 5.10 (*Insolvency*) are also deemed to be made by the Chargors on:
  - (i) the date of the Utilisation Request and the Utilisation Date; and
  - (ii) each Payment Date.
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

## 6 UNDERTAKINGS BY THE CHARGORS

### 6.1 Negative pledge and disposals

The Chargors shall not do or agree to do any of the following without the prior written consent of the Lender:

- (a) create or permit to subsist any Security on any Security Asset except as created by this Deed;
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset; or
- (c) take or permit the taking of any action which may result in the rights attaching to any Security Asset being altered.

### 6.2 Notification

The Chargors shall:

- (a) notify the Lender within 14 days of receipt of every notice received by it from any competent authority in relation to the Security Assets; and
- (b) (if required by the Lender) immediately provide it with a copy of that notice and either (A) comply with such notice or (B) make such objections to it as the Lender may reasonably require or approve.

### 6.3 Calls

- (a) The Chargors shall promptly pay all calls or other payments which may become due in respect of the Securities and all other outgoings in respect of the Securities.
- (b) If a Chargor fails to make such payments, the Lender may (without prejudice to the rights of the Lender under Clause 7 (*Power to remedy*)) make such payments on behalf of that Chargor.
- (c) Any sums so paid by the Lender shall be repayable by the Chargors on demand

together with interest at the Default Rate (both before and after judgment) from the date on which those payments were made by the Lender up to and including the date of reimbursement by the Chargors and otherwise in accordance with Clause 10.4 (*Default interest*) of the Facilities Agreement.

#### 6.4 Compliance with laws

The Chargor shall comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under bye-laws, regulations or requirements of any competent authority or other approvals, licences and consents.

#### 6.5 Information

The Chargors shall provide the Lender with all information which it may reasonably request in relation to the Security Assets including copies of any Shareholders' Agreement to which it is a party.

#### 6.6 Rights in respect of Securities

Until an Event of Default or Shareholder Event occurs and for so long as such Event of Default or Shareholder Event is continuing and subject to the terms of the Facilities Agreement and the Subordination Deed, the Chargor shall be entitled to:

- (a) receive and retain all dividends, distributions, profits and other monies paid on or derived from its Securities; and
- (b) exercise all voting and other rights and powers attaching to the Securities provided that it must not do so in a manner which:
  - (i) has the effect of changing the rights attaching to any Securities or of any Related Rights; or
  - (ii) is prejudicial to the interests of the Lender.

### 7 POWER TO REMEDY

#### 7.1 Power to remedy



If at any time the Chargors do not comply with any of their respective obligations under this Deed, the Lender (without prejudice to any other rights arising as a consequence of such noncompliance) shall be entitled (but not bound) to rectify that default. The Chargors irrevocably authorise the Lender and its employees and agents by way of security to do all things which are reasonably necessary to rectify that default.

## 7.2 Mortgagee in possession

The exercise of the powers of the Lender under this Clause 7 shall not render it liable as a mortgagee in possession.

## 7.3 Monies expended

The Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this Clause 7 together with interest at the Default Rate from the date on which those monies were expended by the Lender up to the date of actual payment (both before and after judgment) and otherwise in accordance with clause 10.4 (*Default interest*) of the Facilities Agreement.

# 8 WHEN SECURITY BECOMES ENFORCEABLE

## 8.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default or Shareholder Event and shall remain so for so long as such Event of Default or Shareholder Event is continuing.

## 8.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default or Shareholder Event and for so long as such Event of Default or Shareholder Event is continuing.

## 8.3 Enforcement

After this Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

## **9 ENFORCEMENT OF SECURITY**

### **9.1 General**

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

### **9.2 Powers of Lender**

At any time after this Security becomes enforceable, the Lender may without further notice (unless required by law):

- (a) (or if so requested by the Chargors by written notice at any time may) appoint any person or persons to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (c) exercise (in the name of the Chargor and without any further consent or authority of the Chargors) any voting rights and any powers or rights which may be exercised by the Chargors in respect of the Securities.

### **9.3 Redemption of prior mortgages**

At any time after this Security has become enforceable, the Lender may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargors.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargors to the Lender on demand.

#### 9.4 Privileges

- (a) Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute "**financial collateral**" and this Deed and the obligations of the Chargor under this Deed constitute a "**security financial collateral arrangement**" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (c) For the purpose of Clause 9.4(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

#### 9.5 No liability

- (a) Neither the Lender nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of Clause 9.5(a), neither the Lender nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

#### 9.6 Protection of third parties

No person (including a purchaser) dealing with the Lender or any Receiver, delegate or sub-delegate or any of its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which the Lender or the Receiver is purporting to exercise has become exercisable; or
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to the Lender or to the Receiver is to be applied.

## **10 RECEIVER**

### **10.1 Removal and replacement**

The Lender may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

### **10.2 Multiple Receivers**

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

### **10.3 Remuneration**

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender).

### **10.4 Payment by Receiver**

Only monies actually paid by a Receiver to the Lender in relation to the Secured Obligations shall be capable of being applied by the Lender in discharge of the Secured Obligations.

## 10.5 Agent of Chargors

Any Receiver shall be the agent of the Chargors. The Chargors shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall incur no liability (either to the Chargors or to any other person) by reason of the appointment of a Receiver or for any other reason.

## 11 POWERS OF RECEIVER

### 11.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Lender by Clause 9.2 (Powers of Lender);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

### 11.2 Additional powers

In addition to the powers referred to in Clause 11.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets as he thinks fit;
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;

- (d) to sell or concur in selling or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation:
  - (i) 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
  - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargors and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargors;
- (f) to take any such proceedings (in the name of the Chargors or otherwise) as he shall think fit in respect of the Security Assets 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);
- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed;
- (h) to appoint and employ such managers and officers and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm); and
- (i) to:
  - (A) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
  - (B) exercise in relation to each Security Asset all such powers and rights

as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and

(C) use the name of the Chargors for any of the above purposes.

## **12 APPLICATION OF PROCEEDS**

### **12.1 Application**

All monies received by the Lender or any Receiver under or in connection with this Deed or the Security Assets after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred and payments made by the Lender or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) secondly, in or towards the satisfaction of the remaining Secured Obligations; and
- (c) thirdly, in payment of any surplus to the Chargors or other person entitled to it.

### **12.2 Contingencies**

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account provided that once all contingent liabilities under the Finance Documents have irrevocably crystallised, any monies held in that blocked suspense account which are in excess of the amounts due to the Lender or any Receiver under the Finance Documents will be transferred by the Lender or the Receiver (as the case may be) to the Chargor in accordance with Clause 12.1 (*Application*).

### **12.3 Appropriation and suspense account**

- (a) Subject to Clause 12.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.



- (b) Any such appropriation shall override any appropriation by the Chargor.
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

### **13 DELEGATION**

The Lender and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Lender nor any Receiver shall be in any way liable or responsible to the Chargors for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

### **14 FURTHER ASSURANCES**

The Chargors shall, at their own expense, promptly take whatever action the Lender or a Receiver may require for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed, and
- (b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by the Lender or any Receiver or any of its or their delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Lender or to its nominees, the giving of any notice, order or direction and the making of any registration which, in any such case, the Lender may think expedient.

### **15 POWER OF ATTORNEY**

The Chargors, by way of security, irrevocably and severally appoint the Lender, each Receiver and any of its or their delegates or sub-delegates to be its attorney to take any



action which the Chargor is obliged to take under this Deed, including under Clause 14 (*Further assurances*). The Chargors ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under this Clause.

## **16 PAYMENTS**

### **16.1 Payments**

Subject to Clause 16.2 (*Gross-up*), all payments to be made by the Chargors in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as the Lender may designate; and
- (b) without (and free and clear of, and without any deduction for or on account of):
  - (i) any set-off or counterclaim; or
  - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

### **16.2 Gross-up**

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Lender, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Lender of a net amount equal to the full amount expressed to be payable under this Deed.

## **17 STAMP DUTY**

The Chargor shall:

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith; and
- (b) indemnify the Lender and any Receiver on demand against any and all costs, losses

or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges.

## **18 COSTS AND EXPENSES**

### **18.1 Transaction and amendment expenses**

The Chargors shall promptly on demand pay to the Lender the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) properly incurred by the Lender in connection with any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

### **18.2 Enforcement and preservation costs**

The Chargors shall promptly on demand pay to the Lender and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by it in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or this Security (including all remuneration of the Receiver).

## **19 DEFAULT INTEREST**

Any amount demanded under Clause 18.1 (*Transaction and amendment expenses*) or 18.2 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with Clause 10.4 (*Default Interest*) of the Facilities Agreement.

## **20 CURRENCIES**

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at a market rate of exchange in the Lender's usual course of business. The Chargor shall indemnify the Lender against all costs, charges and

expenses incurred in relation to such conversion. Neither the Lender nor any Receiver shall have any liability to the Chargors in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

## 21 INDEMNITY

The Chargors shall indemnify the Lender, any Receiver and any attorney, agent or other person appointed by the Lender under this Deed and the Lender's officers and employees (each an **"Indemnified Party"**) on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or holding of them by any person; or
- (c) any breach by the Chargor of any of its obligations under this Deed.

## 22 MISCELLANEOUS

### 22.1 Appropriation and suspense account

- (a) The Lender may apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations as it thinks fit. Any such appropriation shall override any appropriation by the Chargor.
- (b) All monies received, recovered or realised by the Lender under, or in connection with, this Deed may at the discretion of the Lender be credited to a separate interest bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate, if any, as the Lender may determine for the account of the Chargor) without the Lender having any obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

### 22.2 New accounts

If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any

Security Asset, it may open a new account or accounts for the Chargors. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice. As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

### 22.3 Changes to Parties

- (a) The Chargors may not assign any of its rights under this Deed.
- (b) The Lender may assign or transfer or grant participations in all or any part of its rights under this Deed in accordance with the Facilities Agreement. The Chargors shall, immediately upon being requested to do so by the Lender, enter into such documents as may be necessary to effect such assignment or transfer.
- (c) This Deed is binding upon any administrator of the Chargors and upon any committee, receiver, trustee or other persons acting on any Chargors' behalf.

### 22.4 Tacking

- (a) The Lender shall perform its obligations under the Facilities Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

### 22.5 Amendments and waivers

Any provision of this Deed may be amended only if the Lender and the Chargors so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

### 22.6 Calculations and certificates

A certificate of the Lender specifying the amount of any Secured Obligation due from the Chargors (including details of any relevant calculation thereof) shall be prima facie evidence of such amount against the Chargors in the absence of manifest error.

## 22.7 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of the Lender any right or remedy under this Deed 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 are cumulative and not exclusive of any rights or remedies provided by law.

## 23 THIRD PARTY CLAUSES

### 23.1 Waiver of defences

The obligations of the Chargors under this Deed shall not be discharged, impaired or otherwise affected by an act, omission, matter or thing which, but for this Clause 23.1, would reduce, release or prejudice any of its obligations, or the Security intended to be granted, under this Deed (without limitation and whether or not known to it or the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, the Borrower, the Chargors or other person;
- (b) the release of the Borrower, the Chargors, any other surety or any other person under the terms of any composition or arrangement with any creditor of the Borrower, the Chargors or such other surety or other person;
- (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 Borrower, the Chargors, any other surety or any 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, limitation, death, disability or lack of power, authority or legal personality of or dissolution or change in the members, name or status or constitution of the Chargors, the Borrower, the Lender or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance 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 Finance Document or other document or Security;

- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
- (g) any insolvency, administration, bankruptcy or similar proceedings.

#### 23.2 Chargors intent

Without prejudice to the generality of Clause 23.1 (*Waiver of defences*), the Chargors expressly confirm that they intend that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: property acquisitions of any nature; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variations or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### 23.3 Immediate recourse

The Chargors waive any right it may have of first requiring the Lender (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 exercising any right under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

#### 23.4 Application

Until the Secured Obligations have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may refrain from applying or enforcing any other monies, Security or rights held or received by the Lender (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 Chargors shall not be entitled to the benefit of the same.

#### 23.5 Deferral of Chargors' rights

Until the end of the Security Period and unless the Lender otherwise directs, the Chargors shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

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

If the Chargors receive 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 Lender by the Borrower or any other person giving Security for the Secured Obligations under the Finance Documents under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with this Deed.



## 24 NOTICES

### 24.1 Communications in writing

Any communication to be made under, or in connection with, this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter (but not by email).

### 24.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- (a) in the case of the Chargors, that identified with its name below; and
- (b) in the case of the Lender, that identified with its name below,

or any substitute address, fax number or department or officer as the Chargors or the Lender may notify to the other Party by not less than five Business Days' notice.

### 24.3 Delivery

- (a) Subject to Clause 24.3(b), any communication or document made or delivered by one Party to another under, or in connection with, this Deed will only be effective:
  - (i) if by way of fax, when received in legible form; or
  - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the signature of the Lender below (or any substitute department or officer as the Lender shall specify



for this purpose).

## **25 PARTIAL INVALIDITY**

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## **26 RELEASE**

### **26.1 Release**

Upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Chargors, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

### **26.2 Reinstatement**

Where any discharge (whether in respect of the obligations of the Borrower, the Chargors or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

## **27 COUNTERPARTS**

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

## **28 GOVERNING LAW**

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

## **29 ENFORCEMENT**

### **29.1 Jurisdiction**

- (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 29 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

### **29.2 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, LB Equity:
  - (i) irrevocably appoints (and hereby confirms the appointment of) ICG-Longbow (with registered office at 3<sup>rd</sup> floor, 42 Wigmore Street, London W1U 2RY) as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed;
  - (ii) agrees that any writ, summons, judgement or other notice of legal process shall be sufficiently served if delivered to such agent at its address for the time being; and
  - (iii) agrees that failure by a process agent to notify it of the process shall not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as (or not longer acts as) agent for service of process, LB Equity must as soon as reasonably practicable (and in any event within 5 Business Days of such event

taking place) appoint or procure the appointment of another agent on terms acceptable to the Lender. Failing this, the Lender may appoint another agent for this purpose.

**IN WITNESS** of which this Deed has been duly executed by the Chargors as a deed and duly executed by the Lender and has been delivered on the first date specified on page 1 of this Deed by the Chargors.

## **SCHEDULE 1**

### **Securities**

## EXECUTION PAGES

### THE CHARGORS

Executed as a deed by  
**ICG-LONGBOW EQUITY INVESTMENTS NO.  
4 S.À R.L.**

a *société à responsabilité limitée* organised  
and existing under the laws of the Grand  
Duchy of Luxembourg  
by *R. JABBE*

being a person who, in accordance with the  
laws of that territory, is acting under the  
authority of this company and in the presence  
of a witness:

Manager

Print name

*R. JABBE*

Witness signature

Witness name

Witness Address

*Imad Qasem*

*8c rue Gabriel Lippmann*

*L-5365 Munsbach*

*Accountant*

**Address:**

2, Boulevard Konrad Adenauer,  
L-1115  
Luxembourg

**Attention:**

Board of Managers

**Copied to:**

**Address:**

c/o Longbow Real Estate Capital  
3rd Floor  
42 Wigmore Street  
London  
W1U 2RY

**Facsimile No:**

0203 201 7529

**Attention:**

Julian Naylor

**THE LENDER**

Executed as a deed by  
**ICG-LONGBOW DEBT INVESTMENTS NO. 4**  
**S.À. R.L.** a *société à responsabilité limitée*  
organised and existing under the laws of the  
Grand Duchy of Luxembourg by

*A. JAMES*  
being a person who, in accordance with the  
laws of that territory, are acting under the  
authority of the company and in the presence  
of a witness

.....  
Manager

Print name.....  
*A. James*

Witness signature

Witness name

Address

.....  
*Imad Qasem*  
6c rue Gabriel Lippmann  
L-5365 Munsbach  
Accountant  
.....  
.....

**Address:**

2, Boulevard Konrad Adenauer,  
L-1115  
Luxembourg

**Attention:**

Board of Managers

**Copied to:**

**Address:**

c/o Longbow Real Estate Capital  
3rd Floor  
42 Wigmore Street  
London  
W1U 2RY

**Facsimile No:**

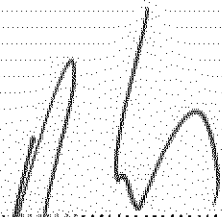
0203 201 7529

**Attention:**

Julian Naylor

Executed as a deed by  
**ENSCO 1120 LIMITED**  
acting by its sole director  
in the presence of:

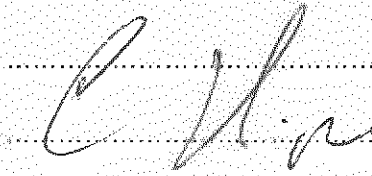
Director  
Print name

  
PETER EVEREST

Witness signature

Witness name

Witness address

  
C. HARPER

13 HIGHLANDS ROAD  
LEATHERHEAD SURREY KT22 8NB

Address:

FAO: Peter Everest  
c/o WD Limited  
1st Floor, 9-10 Staple Inn, Holborn,  
London WC1V 7QH

Fax No:

020 7242 9650