



Registration of a Charge

Company name: **ENQUEST NNS HOLDINGS LIMITED**

Company number: **10573435**

Received for Electronic Filing: **06/12/2017**



Details of Charge

Date of creation: **01/12/2017**

Charge code: **1057 3435 0001**

Persons entitled: **B P EXPLORATION COMPANY LIMITED AS SECURITY TRUSTEE**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

**JOSEPH PLUMB - CMS CAMERON MCKENNA NABARRO OLSWANG
LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10573435

Charge code: 1057 3435 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st December 2017 and created by ENQUEST NNS HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th December 2017 .

Given at Companies House, Cardiff on 8th December 2017

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 1 DECEMBER 2017

ENQUEST NNS HOLDINGS LIMITED
(as Chargor)

-AND-

B P EXPLORATION COMPANY LIMITED
(as Security Trustee)

CHARGE OVER SHARES

CERTIFIED TRUE COPY OF THE ORIGINAL
CMS Cameron McKenna Nabarro Olswang LLP
6 Queens Road
Aberdeen
AB15 4ZT

MH Thorburn
MICHAEL HENRY THORBURN
SOLICITOR
01/12/17

Ref: 106467.00370

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THIS DEED is made on the 1st day of December 2017

BETWEEN:

- (1) **ENQUEST NNS HOLDINGS LIMITED**, a company incorporated in England & Wales (company number 10573435) having its registered office at 5th Floor, Cunard House, 15 Regent Street, London, SW1Y 4LR (the "**Chargor**"); and
- (2) **B P EXPLORATION COMPANY LIMITED**, a company incorporated in England & Wales (company number SC000792), having its registered office at 1 Wellheads Avenue, Dyce, Aberdeen, AB21 7PB, as security trustee for the Beneficiaries (as defined below) (the "**Security Trustee**")

WHEREAS:

- (A) EnQuest NNS Limited (the "**Principal**") is a wholly owned subsidiary of the Chargor. The Principal and the Beneficiaries are parties to the Transaction Documents in connection with certain acquisition and other costs of the Chargor in respect of interests in the Sullom Voe Terminal, the Ninian Pipeline System, the Northern Leg Gas Pipeline and the Magnus Field and the Magnus South Field.
- (B) The Chargor enters into this Deed in connection with the Transaction Documents.
- (C) The Board of Directors of the Chargor is satisfied that the giving of the security contained or provided for in this Deed is in the interests of the Chargor and has passed a resolution to that effect.

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

Definitions

- 1.1 Terms defined in the Security Trust and Waterfall Deed shall, unless otherwise defined in this Deed, have the same meanings when used in this Deed and in addition in this Deed:

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"**Buyer 25% Return Amount**" has the meaning given to it in the SPA;

"**Buyer 75% Return Amount**" has the meaning given to it in the Call Option Deed;

"**Charged Property**" means all the assets of the Chargor which from time to time are the subject of any Security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed;

"**Delegate**" means any person appointed by the Security Trustee or any Receiver pursuant to Clauses 15.2 to 15.4 (*Delegation*) and any person appointed as attorney of the Security Trustee and/or any Receiver or Delegate;

"**Dispute**" has the meaning given to it in Clause 29.1 (*Governing Law and Jurisdiction*);

"**Expenses**" means all costs (including legal fees), charges, expenses and damages properly sustained or incurred by the Security Trustee or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of the Chargor under the terms of this Deed) or by law in each case on a full indemnity basis;

"**Legal Reservations**" means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under applicable statutes of limitation, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and
- (c) similar principles, rights and remedies under English law;

"Liability Period" means the period beginning on the date of this Deed and ending on the Security Release Date;

"LPA" means the Law of Property Act 1925;

"Principal" has the meaning given in recital (A);

"Receiver" means a receiver or receiver and manager of the whole or any part or parts of the Charged Property;

"Related Rights" means:

- (a) all dividends, interest and other distributions of any kind and any other moneys paid or payable from time to time in respect of any of the Securities;
- (b) all allotments, accretions, rights, shares, securities, money or other property accruing, offered or issued from time to time by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise in respect of any of the Securities; and
- (c) all other rights, assets and advantages from time to time attaching to or deriving from or exercisable by virtue of the ownership of any of the Securities;

"Secured Liabilities" means, together:

- (a) all present and future indebtedness, moneys, obligations and liabilities of the Principal to the Beneficiaries under the Finance Documents, including any liability in respect of any further advances made under the Finance Documents and including without limitation Incremental Interest;
- (b) until such time as they become Excluded Liabilities pursuant to clause 13.2 (*Security and Secured Obligations Release Date*) of the Security Trust and Waterfall Deed, the Thistle Secured Obligations;
- (c) the Chargor's payment obligations to BPEOC pursuant to part G of schedule 2 of the SPA (*Post-Completion Earn-out*), including any liability in respect of any further advances that would give rise to such payment obligations to BPEOC;
- (d) the Chargor's payment obligations to BPEOC pursuant to clause 3.2.7 (*Sharing of Net Cashflow*) of the Net Cashflow Share Deed; and
- (e) excluding all amounts owed under (a) to (d), and without prejudice to the provisions of paragraphs (a) to (d), the Chargor's payment obligations to the Beneficiaries under the Transaction Documents but limited in liability to an amount equal to the aggregate sum of (i) the Buyer 25% Return Amount and (ii) the Buyer 75% Return Amount, less \$100,000,000 provided that if such calculation produces a negative sum, the amount shall be \$0;

"Securities" means all shares, whether certificated or uncertificated, in the capital of the Principal from time to time legally and beneficially owned by the Chargor or in which the Chargor has an interest, including, without limitation, the shares specified in Schedule 1 (*Details of Securities*);

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and

"Security Trust and Waterfall Deed" means the security trust and waterfall deed entered into by, amongst others, the Chargor, the Principal, EnQuest Heather Limited, EnQuest plc, BP Exploration Company Limited (in various capacities) and BP Exploration Operating Company Limited (in various capacities) dated 24 January 2017.

Construction

1.1 Any reference in this Deed to:

- 1.1.1 the **"Security Trustee"**, the **"Chargor"**, the **"Principal"**, any **"Beneficiary"** or any other person shall be construed so as to include its constituent persons, successors in title, permitted assignees and permitted transferees and, in the case of the Security Trustee, shall include any person for the time being appointed as additional security trustee pursuant to the Security Trust and Waterfall Deed;
- 1.1.2 **"assets"** includes present and future properties, revenues and rights of every description;
- 1.1.3 **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.1.4 a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.1.5 a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
- 1.1.6 a provision of law is a reference to that provision as amended or re-enacted.

1.2 Clause and Schedule headings are for ease of reference only.

1.3 Any reference in this Deed to a charge of any asset shall be construed so as to include the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset.

1.4 Any reference in this Deed to any Transaction Document or any other agreement or other document shall be construed as a reference to that Transaction Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, substituted, novated or assigned, whether or not as a result of any of the same:

- 1.4.1 there is an increase or decrease in any credit made available under that Transaction Document or other agreement or document or an increase or decrease in the period for which any credit is available or in which it is repayable;
- 1.4.2 any additional, further or substituted credit to or for such credit is provided;
- 1.4.3 any rate of interest, commission or fees or relevant purpose is changed;
- 1.4.4 the identity of the parties is changed;
- 1.4.5 the identity of the providers of any security is changed;
- 1.4.6 there is an increased or additional liability on the part of any person; or

1.4.7 a new agreement is effectively created or deemed to be created.

- 1.5 Any reference in this Deed to "**this Deed**" shall be deemed to be a reference to this Deed as a whole and not limited to the particular Clause, Schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended or restated from time to time and any reference in this Deed to a "**Clause**" or a "**Schedule**" is, unless otherwise provided, a reference to a Clause or a Schedule of this Deed.
- 1.6 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.7 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.8 It is intended that this document shall take effect as and be a deed of the Chargor notwithstanding the fact that the Security Trustee may not execute this document as a deed.
- 1.9 Any change in the constitution of the Security Trustee or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.

Third Party Rights

- 1.10 Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

Conflict

- 1.11 The rights and obligations of the parties to this Deed and subject to the provisions of the Security Trust and Waterfall Deed and where there is any conflict between the provisions of this Deed and the provisions of the Security Trust and Waterfall Deed, the provisions of the Security Trust and Waterfall Deed shall prevail.

2. Grant of Security

- 2.1 The Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Security Trustee (as trustee for the Beneficiaries) by way of first fixed charge all of its present and future right, title and interest in and to the following assets:

2.1.1 all Securities; and

2.1.2 all Related Rights.

3. Interest

The Chargor covenants with the Security Trustee to pay interest at the Interest Rate plus two per cent (2%) on any Expenses payable as from the date on which the relevant Expense arose without the necessity for any demand being made for payment.

4. Expenses, Stamp Taxes and Indemnities

Expenses

- 4.1 Except as otherwise provided herein, all costs and expenses incurred in connection with this Deed shall be paid by the party incurring such cost or expense.
- 4.2 The Chargor shall, within three Business Days of demand, pay to the Security Trustee and each Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by any of them in connection with the enforcement of, or the defence, protection and/or preservation of, any rights, remedies and powers under this Deed or the Security constituted, or

intended to be constituted, by this Deed and any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the security constituted, or intended to be constituted, by this Deed or enforcing any such rights, powers and remedies.

Stamp Taxes

- 4.3 The Chargor shall pay, and shall promptly on demand indemnify the Security Trustee and every Receiver or Delegate against any cost, loss or liability any of them incurs in relation to, all stamp duty, registration and similar taxes payable in connection with the entry into, performance or enforcement, of this Deed, the security constituted by this Deed or any judgment given in connection with this Deed.

General Indemnity

- 4.4 The Chargor shall, notwithstanding the release or discharge of all or any part of the security constituted by this Deed, promptly indemnify the Security Trustee and every Receiver and Delegate against any cost, loss, liability or damage incurred by any of them as a result of:
- 4.4.1 any default or delay by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
 - 4.4.2 the taking, holding, protection or enforcement of the security constituted by this Deed; and
 - 4.4.3 the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee and each Receiver and Delegate by this Deed or by law in respect of the Charged Property.

Value Added Tax

- 4.5 Any cost or expense referred to in this Clause 4 is exclusive of any value added tax that might be chargeable in connection with that cost or expense. If any value added tax is so chargeable, it shall be paid by the Chargor at the same time as it pays the relevant cost or expense.

5. Effectiveness of Security

Continuing Security

- 5.1 The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Security Trustee, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

Cumulative Rights

- 5.2 The security constituted by this Deed and all rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Security Trustee or any other Beneficiary for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security Trustee (whether in its capacity of Security Trustee or otherwise) or any other Beneficiary over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

Reinstatement

- 5.3 If any discharge, release or arrangement (whether in respect of the obligations of the Principal or the Chargor or any Security for those obligations or otherwise) is made by the Security Trustee or any other Beneficiary in whole or in part on the faith 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 under, the security constituted by

this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

- 5.4 The Security Trustee may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

Waiver of Defences

- 5.5 Neither the security constituted by this Deed nor the rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law will be affected by an act, omission, matter or thing which, but for this Clause 5.5, would reduce, release or prejudice any of its obligations under this Deed, any of that security or any of those rights, powers and remedies (without limitation and whether or not known to it or the Security Trustee or any other Beneficiary) including:

- 5.5.1 any time, waiver or consent granted to, or composition with, the Principal or any other person;
- 5.5.2 the release of any person under the terms of any composition or arrangement with any creditor of any person;
- 5.5.3 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 Principal 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;
- 5.5.4 any incapacity or lack of power, authority or legal personality of, or dissolution or change in the members or status of, the Principal or any other person;
- 5.5.5 any amendment, novation, supplement, extension (whether of maturity or otherwise), substitution, restatement (in each case, however fundamental and of whatsoever nature and whether or not more onerous), substitution or replacement of any Transaction Document or any other document or Security including without limitation any change in the purpose of, any extension of or any increase in, any facility or the addition of any new facility under any Transaction Document or other document or Security;
- 5.5.6 any unenforceability, illegality or invalidity of any obligation of the Principal or any other person under any Transaction Document or any other document or Security; or
- 5.5.7 any insolvency or similar proceedings.

Chargor's Intent

- 5.6 Without prejudice to the generality of Clause 5.5 (*Waiver of Defences*), the Chargor expressly confirms that it intends that the security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any facility or amount made available under any of the Transaction Documents and/or any of the Transaction Documents including, without limitation, any of the same which are for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; and/or any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, together with any fees, costs and/or expenses associated with any of the foregoing.

Immediate Recourse

- 5.7 The Chargor waives any right it may have of first requiring the Security Trustee or any other Beneficiary to proceed against or enforce any other rights or Security or claim payment from any person or file any proof or claim in any insolvency, administration, winding up or liquidation

proceedings relating to any person before claiming from it under this Deed. This waiver applies irrespective of any law or any provision of any Transaction Document to the contrary.

Appropriations

5.8 Until all the Secured Liabilities, and all amounts which may be or become due and payable in respect of the Secured Liabilities, have been irrevocably paid, performed and discharged in full, the Security Trustee may:

5.8.1 without affecting the liability of the Chargor under this Deed:

- (a) refrain from applying or enforcing any other moneys, Security or rights held or received by it in respect of the Secured Liabilities; or
- (b) apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to direct the appropriation of any such moneys, Security or rights or to enjoy the benefit of the same; and/or

5.8.2 hold in a suspense account any moneys received from or on behalf of the Chargor in respect of the Secured Liabilities. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Security Trustee to be a fair market rate.

Deferral of Chargor's Rights

5.9 Until all the Secured Liabilities, and all amounts which may be or become due and payable in respect of the Secured Liabilities, have been irrevocably paid, performed or discharged in full and unless the Security Trustee otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under, this Deed to:

5.9.1 be indemnified by the Principal;

5.9.2 claim any contribution from any other guarantor of the Principal's obligations under any Transaction Document;

5.9.3 take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee and/or any other Beneficiary under the Transaction Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Transaction Documents;

5.9.4 bring legal or other proceedings for an order requiring the Principal to make any payment, or perform any obligation, in respect of which the Chargor has given an undertaking or indemnity under this Deed;

5.9.5 exercise any right of set-off against the Principal; and/or

5.9.6 claim or prove as a creditor of the Principal or in its estate in competition with any Beneficiary.

5.10 The rights of the Security Trustee and/or any of the other Beneficiaries under Clause 5.9 above shall be free from any right of quasi-retainer or other rule or principle of fund ascertainment arising either at law or in equity.

5.11 If the Chargor receives any benefit, payment or distribution in relation to any rights referred to in Clause 5.9 above, it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Liabilities, and all amounts which may be or become due and payable in respect of the Secured Liabilities, to be repaid in full on trust for the Security Trustee (as trustee for the Beneficiaries) and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with the Security Trust and Waterfall Deed.

No Security held by Chargor

5.12 The Chargor shall not take or receive any Security from the Principal or any other person in connection with the Secured Liabilities. However, if any such Security is so taken or received by the Chargor:

5.12.1 it shall be held by the Chargor on trust for the Security Trustee (as trustee for the Beneficiaries), together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and

5.12.2 on demand by the Security Trustee, the Chargor shall promptly transfer, assign or pay to the Security Trustee all Security and all moneys from time to time held on trust by the Chargor under this Clause 5.12.

6. Perfection of Security

Deposit of Documents of Title

6.1 The Chargor shall promptly deposit (or procure there to be deposited) with the Security Trustee or as it may direct:

6.1.1 all original share certificates and other documents of title or evidence of ownership from time to time relating to any Charged Property;

6.1.2 all stock transfers forms (with the name of the transferee, the consideration and the date left blank) and such other documents, in each case duly completed and executed by or on behalf of the Chargor, as the Security Trustee may from time to time request in order to enable the Security Trustee or any of its nominees or any purchaser or transferee to be registered as the owner of or otherwise obtain a legal title to or to perfect its security over any Charged Property.

Custody

6.2 The Security Trustee shall be entitled to provide for the safe custody by third parties of all share certificates and other documents of title relating to any Charged Property which is deposited from time to time with it or any of its nominees and the Security Trustee shall not be responsible for any loss of or damage to any such documents of title.

7. Further Assurance

Further Assurance

7.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee or any Receiver may reasonably specify (and in such form as the Security Trustee or any Receiver may reasonably require in favour of the Security Trustee or its nominee(s)) where the Chargor shall use its reasonable endeavours to obtain any such consent to:

7.1.1 perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);

7.1.2 facilitate the exercise of any rights, powers and remedies of the Security Trustee or any Receiver or Delegate provided by or pursuant to this Deed or by law; and/or

7.1.3 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property.

Necessary Action

- 7.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Deed.

Implied Covenants for Title

- 7.3 Each of the charges granted by the Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a) and Section 3 of that Act shall extend to the Chargor without, in each case, the benefit of Section 6(2) of that Act.

8. Warranties

General

- 8.1 The Chargor makes the warranties set out in this Clause 8 to the Security Trustee on the date of this Deed.

Status

- 8.2 It is a limited liability company, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted.

Binding Obligations

- 8.3 The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations and (without limiting the generality of the foregoing and subject to the Legal Reservations), this Deed creates the security which it purports to create and that security is valid and effective security.

Power and Authority

- 8.4 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- 8.5 No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.

Non-conflict with Other Obligations

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

8.6.1 any law or regulation applicable to it;

8.6.2 its constitutional documents; or

8.6.3 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,

nor (except as provided in this Deed) result in the existence or imposition of, or oblige it to create, any Security in favour of any person over all or any of its assets.

Insolvency and Centre of Main Interests and Establishments

- 8.7 It is not insolvent as defined in the Insolvency Act 1986 and is able to pay its debts as they fall due and, for the purposes of The Council of the European Union Regulation No. 1346/2000 on

Insolvency Proceedings, its centre of main interest (as that term is used in article 3(1) of that Regulation) is situated in its jurisdiction of incorporation and it has no "establishment" (as that term is used in article 2(h) of that Regulation) in any other jurisdiction.

Validity and Admissibility in Evidence

8.8 Subject to the Legal Reservations, all Authorisations required to:

- 8.8.1 enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
- 8.8.2 make this Deed admissible in evidence in its jurisdiction of incorporation; and
- 8.8.3 enable it to create any Security expressed to be created by it by or pursuant to, or, as the case may be, any Security expressed to have been created by it and to be evidenced in, this Deed and to ensure that such Security has the priority and ranking it is expressed to have,

have been obtained or effected and are in full force and effect, except for any registrations and filings referred to in Clause 8.12 (*No Filing or Stamp Taxes*) below.

Governing Law and Enforcement

- 8.9 The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- 8.10 Any judgment obtained in the courts of England in relation to this Deed (or, in the case that this Deed confers jurisdiction to settle disputes on any other courts, any judgment obtained in those other courts) will be recognised and enforced in its jurisdiction of incorporation.
- 8.11 It has entered into this Deed for private, commercial purposes and, in any proceedings taken in its jurisdiction of incorporation in relation to this Deed, it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

No Filing or Stamp Taxes

- 8.12 Under the law of its jurisdiction of incorporation it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed, except registration of a certified copy of this Deed at Companies House under Section 859A of the Companies Act 2006 and payment of associated fees, which registration and fees will be made and paid promptly after the date of this Deed.

No Breach of Law or Default

- 8.13 It has not breached any law or regulation which breach could or might result in any material adverse change in its financial condition, business or assets.
- 8.14 It is not in material breach under any agreement to which it is a party nor is it in default in respect of any material financial commitment or liability.

No Misleading Information

- 8.15 All financial and other information provided by it (including its advisers) to the Security Trustee was true, complete and accurate in all material respects as at the date it was provided and is not misleading in any respect.

No Proceedings Pending or Threatened

- 8.16 No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, could or might result in any material adverse change in its financial condition, business or assets have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

Creation of Security

- 8.17 Subject to the Legal Reservations, this Deed creates or, as applicable, evidences in favour of the Security Trustee the security which it purports to create or evidence with the ranking and priority which it is expressed to have.
- 8.18 Without limiting Clause 8.17 above, its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.
- 8.19 No Security exists over all or any of the Charged Property.

Good Title to Assets

- 8.20 It is the sole legal and beneficial owner of the assets over which it purports to grant security under this Deed.

Continuing Warranties

- 8.21 The Chargor undertakes with the Security Trustee that the warranties in this Clause 8 (save for Clauses 8.6 (*Non-conflict with Other Obligations*) and 8.16 (*No Proceedings Pending or Threatened*)) will be true and accurate throughout the continuance of this Deed by reference to the facts and circumstances existing from time to time.

9. Undertakings

General

- 9.1 The undertakings in this Clause 9 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

Negative Pledge

- 9.2 The Chargor shall not create or extend or permit to arise or subsist any Security over the whole or any part of the Charged Property, other than with the prior written consent of the Security Trustee.

Restriction on Disposals

- 9.3 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer, assign, lend or otherwise dispose of the whole or any part of the Charged Property, other than with the prior written consent of the Security Trustee.

Variation of Rights

- 9.4 The Chargor shall not, without the prior written consent of the Security Trustee, cause or permit any of the Charged Property to be consolidated, sub-divided or converted or the other capital of the Principal to be re-organised, exchanged or repaid or any further shares in the capital of the Principal to be issued.

Exercise of Member's Rights

- 9.5 The Chargor shall not, without the prior written consent of the Security Trustee, do or cause or permit to be done anything which shall require the Chargor and/or the Principal to treat any person who is not the registered holder of any of the Charged Property as entitled to enjoy or exercise any rights of a member in relation to the whole or any part of the Charged Property, except pursuant to the terms of this Deed.

Calls and Other Obligations

- 9.6 The Chargor shall promptly pay all calls, instalments and other amounts that may be or become due and payable in respect of all or any part of the Charged Property and, if it fails to do so, the Security Trustee may elect (but shall not be obliged) to pay such amounts on behalf of the

Chargor. Any amounts so paid by the Security Trustee shall be reimbursed by the Chargor to the Security Trustee on demand and shall carry interest at the rate specified in Clause 3 (*Interest*) from the date of payment by the Security Trustee up to and including the date of reimbursement by the Chargor (after as well as before any judgment).

- 9.7 The Chargor shall comply with, and shall remain liable to observe and perform, all of the other conditions and obligations assumed by it in respect of all or any part of the Charged Property.

Communications

- 9.8 The Chargor shall forward to the Security Trustee any notices, reports, accounts, circulars and other documents or communications relating to the Charged Property as soon as they are received by it or on its behalf.
- 9.9 Without prejudice to Clause 9.8 above, the Chargor shall forward to the Security Trustee as soon as they are received by it or on its behalf, and shall comply with, all requests for information which is within its knowledge and which it is required to comply with by law (including, without limitation, all requests made under Section 793 of the Companies Act 2006) or under the articles of association or other constitutional documents relating to any of the Charged Property and, if it fails to do so, the Security Trustee may elect (but shall not be obliged) to provide such information as it may have on behalf of (and at the expense of) the Chargor.

Acquisition of Charged Property

- 9.10 The Chargor shall promptly notify the Security Trustee of:
- 9.10.1 its acquisition of, or of its agreement to acquire, any Securities; and
- 9.10.2 the accrual, offer or issue of any Related Rights and shall, if requested by the Security Trustee, acquire (by payment or otherwise) any Related Rights if failure to take up such Related Rights might, in the opinion of the Security Trustee, prejudice the value of, or the ability of the Security Trustee to realise, the security constituted or intended to be constituted by this Deed.

Information

- 9.11 The Chargor shall promptly supply to the Security Trustee such information as the Security Trustee may reasonably require about the Charged Property and its compliance with the terms of this Deed and such further information regarding its financial condition, assets and operations as the Security Trustee may reasonably request.
- 9.12 The Chargor shall promptly notify the Security Trustee in writing of any action, claim or demand made by or against it in connection with all or any part of the Charged Property or of any fact, matter or circumstance which may reasonably be expected with the passage of time to give rise to such an action, claim or demand, together with the Chargor's proposals for settling, liquidating, compounding or contesting the same and shall, subject to the Security Trustee's approval of such proposals, implement them at its own expense.

Not Jeopardise Security

- 9.13 The Chargor shall not do or cause or permit to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the value to the Security Trustee of the security constituted or intended to be constituted by this Deed.

10. Voting Rights and Dividends

Before Enforcement

- 10.1 At any time prior to the security constituted by this Deed becoming enforceable the Chargor shall be entitled to exercise all voting and other rights and powers in respect of the Charged Property or, if any of the same are exercisable by the Security Trustee or any of its nominees, to direct in writing the exercise of those voting and other rights and powers, **provided that** the

exercise of or failure to exercise those voting or other rights and powers would not, in the opinion of the Security Trustee, have an adverse effect on the value of the Charged Property or otherwise prejudice the interests of the Security Trustee under the Transaction Documents.

After Enforcement

- 10.2 At any time after the security constituted by this Deed has become enforceable, the Security Trustee may at its discretion (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor and irrespective of any direction given by the Chargor):
- 10.2.1 exercise or direct the exercise of (or refrain from exercising) all voting and other rights and powers in respect of the Charged Property (and the Chargor shall comply or procure compliance with any directions of the Security Trustee in respect of the exercise of those voting and other rights and powers and shall (and shall procure that any of its nominees shall) accept short notice for and attend any meeting of the holders of any Charged Property and shall promptly execute and/or deliver to the Security Trustee such forms of proxy as the Security Trustee requires with a view to enabling such person as it selects to exercise those voting and other rights and powers);
 - 10.2.2 apply all dividends, interest and other moneys paid or payable in respect of the Charged Property in accordance with the Security Trust and Waterfall Deed and, if any of the same are paid or payable to the Chargor, the Chargor shall hold all such dividends, interest and other moneys on trust for the Security Trustee (as trustee for the Beneficiaries) and pay the same immediately to the Security Trustee or as it may direct to be applied in accordance with that provision;
 - 10.2.3 if not already so transferred, transfer the Charged Property into the name of, or (as applicable) into an account in the name of, the Security Trustee or any of its nominees; and
 - 10.2.4 in addition to any other power created under this Deed, exercise or direct the exercise of (or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Property and, except as expressly provided for in the Deed, all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000, including, without limitation, the general power of investment set out in Section 3 of the Trustee Act 2000, **provided that** the duty of care set out in Section 1(1) of the Trustee Act 2000 shall not apply to the exercise of any other power of investment (however conferred) by the Security Trustee or any of its nominees in respect of securities or property subject to a trust.

11. Enforcement of Security

When Security becomes Enforceable

- 11.1 The security constituted by this Deed shall be immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable following a Declared Event of Default in accordance with the terms of the Security Trust and Waterfall Deed and subject to the provisions of clause 16 (*Distressed Disposals and Fair Value*) thereof.
- 11.2 After the security constituted by this Deed has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

Right of Appropriation

- 11.3 To the extent that any of the Charged Property constitutes “**financial collateral**” and this Deed and the obligations of the Chargor under this Deed constitute a “**security financial collateral arrangement**” (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the “**FCA Regulations**”)), the

Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any Charged Property constituting such financial collateral shall be determined in accordance with the Security Trust and Waterfall Deed. In each case, the parties agree that the manner of valuation provided for in this Clause 11.3 shall constitute a commercially reasonable manner of valuation for the purposes of the FCA Regulations.

Redemption of Prior Mortgages

- 11.4 The Security Trustee or any Receiver may at any time:
- 11.4.1 redeem any prior Security over any Charged Property; or
 - 11.4.2 procure the transfer of that Security to the Security Trustee; or
 - 11.4.3 settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the Chargor).
- 11.5 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the Chargor to the Security Trustee and every Receiver on demand and shall be secured by this Deed.

12. Extension and Variation of the LPA

General

- 12.1 For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.
- 12.2 Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.

Privileges

- 12.3 Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

13. Appointment of Receiver

Appointment

- 13.1 At any time after the security constituted by this Deed has become enforceable or if an application is presented for the making of an administration order in relation to the Chargor or any person who is entitled to do so gives written notice of its intention to appoint an administrator of the Chargor or files such a notice with the court or if the Chargor so requests the Security Trustee in writing (in which case, in each such case, the security constituted by this Deed shall become immediately enforceable), the Security Trustee may, without prior notice to the Chargor, appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA.

Removal

- 13.2 The Security Trustee may by writing under its hand (or by an application to the court where required by law):
- 13.2.1 remove any Receiver appointed by it; and

- 13.2.2 appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

Statutory Powers of Appointment

- 13.3 The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Security Trustee in respect of any part or parts of the Charged Property.

Capacity of Receiver

- 13.4 Each Receiver shall be deemed to be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him (other than any negligent act or wilful default) .
- 13.5 The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.
- 13.6 If there is more than one Receiver holding office at the same time, each Receiver shall (unless the document appointing him states otherwise) be entitled to act (and to exercise all of the powers conferred on a Receiver under this Deed) individually or together with any other person appointed or substituted as Receiver.

Remuneration of Receiver

- 13.7 The Security Trustee may fix the remuneration of any Receiver appointed by it without any restriction imposed by Section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable immediately upon its being paid by the Security Trustee.

14. Powers of Receiver

General

- 14.1 Each Receiver has, and is entitled to exercise (to the extent permitted by law), all of the rights, powers and discretions set out below in this Clause 14 in addition to those conferred by law.
- 14.2 Without prejudice to the generality of this Clause 14, each Receiver shall have (to the extent permitted by law) all the rights, powers and discretions of an administrative receiver under Schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

Specific Powers

- 14.3 Each Receiver shall have (to the extent permitted by law) the following powers (and every reference in this Clause 14.3 to the "**Charged Property**" shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):
- 14.3.1 power to take immediate possession of, get in and collect any Charged Property;
 - 14.3.2 power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
 - 14.3.3 power to exercise all voting and other rights and powers in respect of any Charged Property;
 - 14.3.4 power to appoint and discharge managers, officers, agents and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by the Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be

reimbursed to that Receiver by the Chargor on demand and until so reimbursed shall carry interest at the rate specified in Clause 3 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));

- 14.3.5 power to raise and borrow money either unsecured or (with the prior consent of the Security Trustee) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- 14.3.6 power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating in any way to any Charged Property;
- 14.3.7 power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property which may seem to him to be expedient;
- 14.3.8 power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- 14.3.9 power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;
- 14.3.10 power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- 14.3.11 power to exercise any of the above powers in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor.

Security Trustee's Powers

- 14.4 To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after the security constituted by this Deed has become enforceable be exercised by the Security Trustee in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

15. Discretions and Delegation

Discretion

- 15.1 Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may (unless otherwise provided for) be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

Delegation

- 15.2 Each of the Security Trustee and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).
- 15.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Trustee or any Receiver (as the case may be) shall think fit.
- 15.4 Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. Power of Attorney

Appointment and Powers

16.1 The Chargor, by way of security, irrevocably appoints the Security Trustee, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

16.1.1 carrying out any obligation imposed on the Chargor by this Deed and which the Chargor has failed to do; and

16.1.2 enabling the Security Trustee or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property), on or after the occurrence of a Declared Event of Default which is continuing.

Ratification

16.2 The Chargor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under Clause 16.1 (*Appointment and Powers*).

17. Protection of Purchasers

Consideration

17.1 The receipt of the Security Trustee or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, the Security Trustee, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

Protection of Third Parties

17.2 No person (including a purchaser) dealing with the Security Trustee, any Receiver or any Delegate shall be bound to enquire:

17.2.1 whether the Secured Liabilities have become payable; or

17.2.2 whether any power which the Security Trustee or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or

17.2.3 whether any Secured Liabilities remain due to the Security Trustee; or

17.2.4 how any money paid to the Security Trustee or to any Receiver or Delegate is to be applied,

or shall be concerned with any propriety, regularity or purpose on the part of the Security Trustee or any Receiver or Delegate in such dealings or in the exercise of any such power.

18. Application of Proceeds

Order of Application

18.1 All moneys received or recovered by the Security Trustee, any Receiver or any Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied in accordance with the Security Trust and Waterfall Deed.

18.2 The provisions of the Security Trust and Waterfall Deed will override any appropriation made by the Chargor.

New Accounts

- 18.3 After the security constituted by this Deed has become enforceable or if the Security Trustee at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Security Trustee may open a new account in the name of the Chargor.
- 18.4 If the Security Trustee 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 by or on behalf of the Chargor to the Security Trustee shall be credited or be treated as having been credited to the new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

Currency Conversion

- 18.5 For the purpose of or pending the discharge of any of the Secured Liabilities, the Security Trustee and each other Beneficiary may (in its absolute discretion) convert any moneys received or recovered by it or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by it or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at BNP Paribas's spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Security Trustee or that Beneficiary. Nothing in this Deed shall require the Security Trustee to make, or shall impose any duty of care on the Security Trustee or any other Beneficiary in respect of, any such currency conversion.

19. No Liability as Mortgagee in Possession

No Liability

- 19.1 Neither the Security Trustee nor any Receiver or Delegate shall in any circumstances (either by reason of taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything, except actual receipts, or be liable to the Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Security Trustee, any Receiver, any Delegate or any of their respective officers, agents, employees or nominees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Security Trustee or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property, the Transaction Documents or this Deed.

No Obligations in relation to Charged Property

- 19.2 Neither the Security Trustee nor any of its nominees shall be liable to make any payment in respect of any calls, instalments or other amounts that may be or become due in respect of the Securities or be under any duty to ensure that any Related Rights receivable in respect of the Securities are duly and punctually paid, received, collected or exercised when they become due and payable or exercisable, or to ensure the taking up of (or any offer of) any Related Rights accruing, offered or issued at any time in respect of the Securities, or to make any enquiry into the nature or sufficiency of any payment paid or received in respect of the Securities or to present or file or make any claim, take any action or do any other act or thing for the purpose of collecting and/or enforcing the payment of any amount in respect of any Securities or to enforce any other right, title or interest to which the Security Trustee or any of its nominees may at any time be entitled pursuant to this Deed.

20. Set-off

- 20.1 Without limiting any other rights conferred on the Security Trustee by law or by any other agreements entered into with the Chargor, the Security Trustee may (but shall not be obliged to) set off any matured obligation due from the Chargor under this Deed (to the extent beneficially owned by any Beneficiary) against any matured obligation owed by the Beneficiaries to the

Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the obligation owed by a Beneficiary is unliquidated or unascertained, the Security Trustee may set off in an amount estimated by it in good faith to be the amount of that obligation.

21. Payments

Manner of Payments

- 21.1 The Chargor shall make all payments required to be made by it under this Deed available to the Security Trustee (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Security Trustee as being customary at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Security Trustee specifies.

No Set-off by Chargor

- 21.2 All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

Certificates and Determinations

- 21.3 Save to the extent the Security Trust and Waterfall Deed otherwise provides in relation to a Beneficiary, any certificate or determination by the Security Trustee of a rate or an amount under this Deed is, in the absence of manifest error, prima facie evidence of the matters to which it relates.

22. Partial Invalidity

- 22.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired and, if any part of the security constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

23. Remedies and Waivers

- 23.1 No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.
- 23.2 Any amendment, waiver or consent by the Security Trustee under this Deed must be in writing and may be given subject to any conditions thought fit by the Security Trustee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

24. Notices

- 24.1 The notice provisions set out in clause 32 (*Notices*) of the Security Trust and Waterfall Deed shall apply to this Deed.

25. Counterparts

- 25.1 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. Delivery of an electronic counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

26. Assignment

- 26.1 The Security Trustee may (to the extent permitted under the Transaction Documents) assign, charge or transfer all or any of its rights under this Deed without the consent of the Chargor. The Security Trustee may disclose any information about the Chargor and this Deed as the Security Trustee shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

27. Releases

- 27.1 Upon the expiry of the Liability Period, the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted by this Deed.

28. Declaration of Trust

- 28.1 The Security Trustee hereby declares itself trustee of the Security and other rights (including, but not limited to, the benefit of the covenants contained in this Deed), titles and interests constituted by this Deed and of all moneys, property and assets paid to the Security Trustee or to its order or held by the Security Trustee or its nominee(s) or received or recovered by the Security Trustee or its nominee(s) pursuant to or in connection with this Deed with effect from the date of this Deed to hold the same on trust for itself and each of the other Beneficiaries absolutely *pro rata* (save as may otherwise be agreed between the Security Trustee and the other Beneficiaries from time to time) to the moneys, obligations and liabilities of the Chargor owed to all the Beneficiaries (including the Security Trustee) from time to time secured by this Deed.
- 28.2 All moneys received by the Security Trustee or any Receiver or Delegate shall be held by it or him upon trust for the Security Trustee and the other Beneficiaries according to their respective interests to apply the same in the order specified in the Security Trust and Waterfall Deed.
- 28.3 The trusts in this Deed shall remain in force until whichever is the earlier of:
- 28.3.1 the expiration of a period of 125 years from the date of this Deed; or
- 28.3.2 receipt by the Security Trustee of confirmation in writing from all of the Beneficiaries that the Secured Liabilities are no longer outstanding.

29. Governing Law and Jurisdiction

- 29.1 This Deed and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Deed or its formation (including any non-contractual disputes or claims) (a "**Dispute**") shall be governed by and construed in accordance with English law.
- 29.2 Any Dispute shall be subject to the exclusive jurisdiction of the English courts.

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

Schedule 1
Details of Securities

Details of company in which shares are held	Number of shares	Description of shares (class, par value etc)	Registered holder
EnQuest NNS Limited	100	Ordinary shares of £1 each	EnQuest NNS Holdings Limited

EXECUTION PAGE

THE CHARGOR

EXECUTED AS A DEED by)
ENQUEST NNS HOLDINGS LIMITED)
on being signed by)
a Director)
in the presence of:) (Director)

Witness signature: [REDACTED]
Witness name: VICTORIA PRESLY
Witness address: [REDACTED]

Witness occupation: SOLICITOR

THE SECURITY TRUSTEE

EXECUTED AS A DEED by)
B P EXPLORATION COMPANY LIMITED)
on being signed by its duly authorised attorney)
...PHILIP JOHN DAWSON)
in the presence of:)

[REDACTED]
Duly Authorised Attorney
Executed under Power of Attorney
dated 23 January 2017

Witness signature: [REDACTED]
Witness name: BRODIE THOMSON
Witness address: [REDACTED]

Witness occupation: TRAINEE SOLICITOR