



Registration of a Charge

Company name: **SPARROWS OFFSHORE INTERNATIONAL GROUP LTD.**

Company number: **SC204815**



X9KHOH3L

Received for Electronic Filing: **23/12/2020**

Details of Charge

Date of creation: **22/12/2020**

Charge code: **SC20 4815 0009**

Persons entitled: **NORDIC TRUSTEE & AGENCY AB (PUBL) AS SECURITY AGENT FOR THE SECURED PARTIES**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

PINSENT MASONS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 204815

Charge code: SC20 4815 0009

The Registrar of Companies for Scotland hereby certifies that a charge dated 22nd December 2020 and created by SPARROWS OFFSHORE INTERNATIONAL GROUP LTD. was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2020 .

Given at Companies House, Edinburgh on 24th December 2020

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 22 December 2020

**SPARROWS OFFSHORE INTERNATIONAL GROUP LIMITED
SPARROWS OFFSHORE SERVICES LIMITED**

as Chargors

and

NORDIC TRUSTEE & AGENCY AB (PUBL)

as Security Agent

SHARE CHARGE

TABLE OF CONTENTS

Contents	Page
1. Interpretation	2
2. Covenant To Pay	2
3. Charging Clause	2
4. Continuing Security	3
5. Further Assurance	3
6. Negative Pledge And Disposal Restrictions	4
7. Representations And Warranties	4
8. Undertakings	4
9. Attorney	9
10. Enforcement And Powers Of The Security Agent	9
11. Status, Powers, Removal And Remuneration Of Receiver	10
12. Application Of Monies	12
13. Protection Of Third Parties	13
14. Protection Of Security Agent, Receivers And Delegates	13
15. Cumulative Powers And Avoidance Of Payments	15
16. Saving Provisions	15
17. Ruling Off Accounts	17
18. Delegation	17
19. Redemption Of Prior Charges	17
20. Notices	17
21. Changes To Parties	17
22. Currency Clauses	18
23. Miscellaneous	18
24. Governing Law And Jurisdiction	19
Schedule 1 Interpretation	21

THIS DEED is made on 22 December 2020

BETWEEN:

- (1) SPARROWS OFFSHORE INTERNATIONAL GROUP LIMITED** (a company incorporated in the United Kingdom with registration number SC204815) ("**SOIGL**") and **SPARROWS OFFSHORE SERVICES LIMITED** (a company incorporated in the United Kingdom with registration number 00845839) ("**SOSL**"), as chargors (together the "**Chargors**"); and
- (2) NORDIC TRUSTEE & AGENCY AB (PUBL)** as security trustee for itself and the other Secured Parties.

THE PARTIES AGREE as follows:

1. Interpretation

- 1.1** Words and expressions used in this deed shall have the meanings set out in Schedule 1 (*Interpretation*) unless the context requires otherwise.
- 1.2** The schedules form part of this deed.

2. Covenant To Pay

Each Chargor as primary obligor covenants with the Security Agent (for the benefit of itself and the other Secured Parties) that it will on demand pay all of the Secured Obligations when they fall due for payment.

3. Charging Clause

3.1 Fixed Charge

Each Chargor, as legal and beneficial owner and as security for the payment and discharge of all the Secured Obligations, charges by way of first fixed charge in favour of, and assigns and agrees to assign absolutely, to the Security Agent, free from all other liens, charges and encumbrances, all its present and future rights, title and interest in and to, and all benefits accrued or to accrue to that Chargor arising out of all of its present and future Subsidiary Shares and Distribution Rights.

3.2 Accruals

Subject and without prejudice at all times to Clause 8.4 (*Voting and Distribution Rights*), the Security created by this deed shall affect, and the Charged Property shall include, (a) all dividends paid or payable on any of the Charged Property, (b) all stocks, shares and other securities (together with all dividends paid or payable thereon), rights, moneys or other property paid, distributed, accruing or offered at any time (by way of dividend, bonus, redemption, rights, preference, option, warrant or otherwise) on, to or in respect of or in substitution for any of the Charged Property, (c) the proceeds of sale and redemption and any

payment or receipt of, on or in respect of any of the Charged Property and (d) all contractual and/or other rights which the relevant Chargor may have against any person under any custody arrangement or otherwise in respect of any of that Chargor's Charged Property.

3.3 Receipts by Chargor

Subject to Clause 12 (*Application Of Monies*), in the event that any moneys, shares, stocks or other securities (including any dividends thereon), rights or other property are distributed or offered to or received by any Chargor of, on or in respect of or in substitution for any of that Chargor's Charged Property, that Chargor shall immediately notify the Security Agent and the same shall be received and held by that Chargor in trust for the Security Agent, shall be segregated from other property and funds of that Chargor and shall be immediately paid or, as the case may be, delivered to the Security Agent to be dealt with in accordance with this deed and, in the case of any such shares, stocks or other securities, that Chargor shall immediately deliver or cause to be delivered to the Security Agent or, as the Security Agent may direct, its nominee, certificates therefor together with blank transfers relating thereto duly executed by the persons named therein as the registered holders thereof.

4. Continuing Security

4.1 Continuing Security

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing.

4.2 Other Security

This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or other right which the Security Agent and/or any other Secured Party may now or after the date of this deed hold for any part of the Secured Obligations.

5. Further Assurance

5.1 Each Chargor shall promptly (and at its own expense) do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

- (a) to perfect and protect the Security created or intended to be created by it under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this deed or by law; and/or
- (b) to facilitate the enforcement over and the realisation, of its assets which are, or are intended to be, the subject of the Security created by this deed.

- 5.2** Each 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 by it on the Security Agent or the Secured Parties by or pursuant to this deed.

6. Negative Pledge And Disposal Restrictions

No Chargor shall provide, prolong or renew any security over all or any part of the Charged Property, provided however that each Chargor has a right to provide, retain, prolong or renew, any Permitted Security.

7. Representations And Warranties

7.1 Matters Represented

Each Chargor, for and on behalf of itself, represents and warrants to the Security Agent as set out in Clauses 7.2 (*Subsidiary Shares*) and 7.3 (*Voting Rights*) on the date of this deed and on each day that any part of the Secured Obligations is outstanding.

7.2 Subsidiary Shares

(a) It is the sole legal and beneficial owner of its Subsidiary Shares (save in relation to any of its Subsidiary Shares which are held by a nominee for it in which case it is the beneficial owner only of those Subsidiary Shares) and its Subsidiary Shares are free from any prior ranking or *pari passu* ranking Security save for the security created by the Senior Finance Documents.

(b) All of its Subsidiary Shares are fully paid.

7.3 Voting Rights

No restrictions exist in relation to the voting rights associated with the transfer of any of its Subsidiary Shares, where such transfer is executed (whether as a transferor or transferee) by the Security Agent or its nominee in the exercise of its enforcement powers under this deed.

7.4 Non-Singapore Company

As at the date of this deed, neither Chargor is incorporated in Singapore or registered as a foreign company under Division 2 of Part XI of the Companies Act, and after the date of this deed, unless a Chargor has notified the Security Agent otherwise in writing, that Chargor is not incorporated in Singapore or registered as a foreign company under Division 2 of Part XI of the Companies Act;

8. Undertakings

8.1 Duration of Undertakings

Each Chargor, for and on behalf of itself, undertakes to the Security Agent in the terms of this Clause 8 from the date of this deed and for so long as any security constituted by this deed remains in force.

8.2 General Undertakings

(a) General

(i) It shall promptly:

(A) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(B) supply certified copies to the Security Agent of,

any Authorisation required under any law or regulation of any relevant jurisdiction to enable it to perform its obligations under this deed and to ensure the legality, validity, enforceability or admissibility in evidence in any relevant jurisdiction of this deed.

(ii) It shall comply in all respects to all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

(b) Charged Property

Subject to Clause 5.3 (*Further Assurance*) above:

(i) it will not do or cause or permit to be done anything which will, or could be reasonably expected to, materially adversely affect the Security created or intended to be created by this deed or the rights of the Secured Parties under this deed or which in any way is inconsistent with or depreciates, jeopardises or otherwise prejudices the Security created or intended to be created by this deed;

(ii) it will duly pay any calls, subscription moneys and/or other moneys payable on or in respect of its part of the Charged Property when the same has become due and payable and make all payments as and when they become due (where the Security Agent considers that non-payment would be prejudicial to the interests of the Secured Parties under this deed (including, without limitation, prejudicial to the enforceability of the Security created by this deed or the value of that Chargor's Charged Property)). If that Chargor does not do so, the Security Agent may (but shall not be obliged to) do so and, if the Security Agent does so, that Chargor shall on demand indemnify the Security Agent against such payment together with the interest thereon for the period beginning on the date of such payment and ending on the date on which the Security Agent has been indemnified in full by that Chargor calculated at the Default Rate;

- (iii) it will procure that its Charged Company does not, except with the prior written consent of the Security Agent, cancel, increase, create, sub-divide or issue or agree to issue or put under option any share or otherwise alter its share capital;
 - (iv) it will not take or omit to take any action which act or omission could materially or adversely affect or diminish the value of any part of its Charged Property, and that Chargor will, at its own expense, promptly take all actions which are at any time necessary or desirable to protect the value of its interests in and rights to, and the Security Agent's interests in and rights to, its Charged Property;
 - (v) it will promptly after the execution of this deed (and in any case within the time period prescribed by applicable law) cause applicable Singapore stamp duty to be paid on this deed in the amount prescribed by law; and
 - (vi) it will take all necessary steps to register and perfect the Security created under this deed.
- (c) Amendment of Constitutional Documents
- (i) Immediately after the execution and delivery of this deed, each Chargor will (unless it has already done so) procure that its Charged Company amends its Constitution as required by the Security Agent.
 - (ii) Save as required in clause 8.21(c)(i) above, no Chargor will, except with the prior written consent of the Security Agent, amend or alter or pass any resolution or take any action to amend or alter the Constitution of its Charged Company in a manner which is reasonably likely to have a material adverse effect on the Charges created pursuant to this Deed.

8.3 Title Documents

Each Chargor will deposit with the Security Agent (or as it shall direct):

- (a) immediately after the execution and delivery of this deed, all stock and share certificates and other documents of title relating to its Subsidiary Shares together with transfer forms executed in blank and left undated on the basis that the Security Agent shall be able to hold such documents of title and transfer forms until the Secured Obligations have been irrevocably and unconditionally discharged in full and shall be entitled, at any time, following the occurrence of an Acceleration Event or if the Security Agent reasonably considers that the security constituted by this deed is in jeopardy to complete, under its power of attorney given by Clause 9 (*Attorney*) below, the stock transfer forms on behalf of that Chargor in favour of itself or such other person as it shall select;

- (b) promptly on each future occasion on which it becomes beneficially entitled to any other Charged Property (whether by subscription, purchase or otherwise), all stock and share certificates and other documents of title relating to such other Charged Property, together with transfer forms executed in blank and left undated on the same basis as set out in paragraph (a) above; and
- (c) following an Acceleration Event, all other documents relating to its Charged Property which the Security Agent from time to time requires.

8.4 Voting and Distribution Rights

- (a) Except to the extent prohibited by any Senior Finance Document, until an Acceleration Event occurs:
 - (i) each Chargor may continue to exercise the voting rights, powers and other rights in respect of its Subsidiary Shares provided that that Chargor shall not be entitled to exercise any of its voting rights, powers and other rights in respect of its Subsidiary Shares in a manner which the Security Agent reasonably considers to be prejudicial to the interests of the Secured Parties under this deed (including, without limitation, prejudicial to the enforceability of the Security created by this deed or the value of the Subsidiary Shares);
 - (ii) each Chargor shall be entitled to receive and retain all dividends, distributions and other monies paid on or derived from its Subsidiary Shares; and
 - (iii) the Security Agent will forward copies of all notices, documents and other communications received in connection with the Subsidiary Shares to the relevant Chargor promptly following receipt.

If any dividend, distribution or dividend is received by any Chargor pursuant to paragraph (a)(ii) above, that amount shall be automatically released from the Security created or expressed to be created in favour of the Security Agent by or pursuant to this deed upon such receipt by that Chargor.

- (b) On and after the occurrence of an Acceleration Event:
 - (i) each Chargor will promptly pay all dividends, distributions and other monies paid on or derived from the Subsidiary Shares to the Security Agent for distribution in accordance with clause 12.1 (Order of Application); and
 - (ii) the Security Agent may (in its sole discretion) directly or indirectly (by instruction to the relevant legal owner of the relevant Subsidiary Shares) exercise, refrain from exercising or disclaim any right to exercise any voting or other rights and powers attaching to the Subsidiary Shares. Any exercise of such voting rights may only be for the purpose of preserving the value of the security given by this deed or facilitating the realisation of it. Each Chargor will promptly comply with any direction given by the Security Agent

in relation to the exercise of voting or other rights and powers. Any such disclaimer will confer on that Chargor the authority to direct the exercise of the disclaimed right, as if an Acceleration Event had not occurred, in accordance with paragraph (a)(i) above.

- (c) At any time when any Subsidiary Shares are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Subsidiary Shares are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Subsidiary Shares.

8.5 Retention of Documents

The Security Agent may retain any document delivered to it under Clause 8.3 (*Title Documents*) or otherwise until the Security created by this deed is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply (or procure compliance) with that notice.

8.6 Registration pursuant to Singapore legislation

If, at any time after the execution of this deed, any Chargor becomes incorporated in Singapore or registered as a foreign company under Division 2 of Part XI of the Companies Act, it shall notify the Security Agent and shall ensure that particulars of this deed are submitted to the Accounting and Corporate Regulatory Authority of Singapore for registration (in each case) within seven (7) days from the date on which that Chargor becomes so incorporated or registered.

8.7 Power to Remedy

If any Chargor fails to comply with any covenant set out in Clauses 8.2 (*General Undertakings*) to 8.6 (*Registration pursuant to Singapore legislation*) (inclusive) and that failure is not remedied to the satisfaction of the Security Agent within 10 Business Days, that Chargor will allow (and irrevocably authorises) the Security Agent or any person which the Security Agent nominates to take any action on behalf of that Chargor which is necessary to ensure that those covenants are complied with.

8.8 Indemnity

Each Chargor will indemnify the Security Agent against all losses incurred by the Security Agent as a result of a breach by that Chargor of its obligations under Clauses 8.1 (*Duration of Undertakings*) to 8.5 (*Retention of Documents*) (inclusive) and in connection with the exercise by the Security Agent of its rights contained in Clause 8.6 (*Power to Remedy*) above.

All sums the subject of this indemnity will be payable by the relevant Chargor to the Security Agent on demand and if not so paid will bear interest at the Default Rate. Any unpaid interest will be compounded with monthly rests but will remain immediately due and payable.

9. Attorney

9.1 Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it is obliged to execute and do under the terms of this deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Agent or any Receiver under this deed or otherwise for any of the purposes of this deed, and each Chargor covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

9.2 The appointment effected under Clause 9.1 above shall take effect immediately, but the powers conferred shall only become exercisable:

- (a) following the occurrence of an Acceleration Event; or
- (b) subject to Clause 5.3 (*Further Assurance*) above, where any Chargor has failed to comply with any undertaking set out in Clause 8 (*Undertakings*) or a further assurance or perfection obligation within five Business Days of being notified by the Security Agent of that failure and being requested by the Security Agent to comply, in order to remedy or effect the relevant undertaking or further assurance or perfection obligation that that Chargor has failed to comply with.

9.3 Any third party referred to in this Clause 9 may enjoy the benefit or enforce the terms of this Clause in accordance with the provisions of the Third Parties Act.

10. Enforcement And Powers Of The Security Agent

10.1 Statutory Restrictions

- (a) The restriction on the consolidation of mortgages imposed by section 21 of the CLPA shall not apply to the security constituted by this deed.
- (b) The Security Agent may exercise the power of sale conferred on mortgagees by the CLPA (as varied and extended by this deed) free from the restrictions imposed by section 25 thereof.

10.2 Enforcement Powers

For the purpose of all rights and powers implied or granted by statute, the Secured Obligations are deemed to have fallen due on the date of this deed. The power of sale and other powers conferred by section 24 of the CLPA (as varied and extended by this deed) and all other enforcement powers conferred by this deed shall be immediately exercisable at any time after an Acceleration Event has occurred.

10.3 Statutory Powers

The powers conferred on mortgagees or receivers by the CLPA shall apply to the security created by this deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in the CLPA and those contained in this deed, those contained in this deed shall prevail.

10.4 Appointment of Receiver

At any time after an Acceleration Event has occurred or if so requested by any Chargor, the Security Agent may by writing under hand signed by any officer or manager of the Security Agent, appoint any person (or persons) to be a Receiver of all or any part of that Chargor's Charged Property.

10.5 Exercise of Powers

All or any of the powers conferred upon mortgagees by the CLPA as varied or extended by this deed and all or any of the rights and powers conferred by this deed on a Receiver (whether expressly or impliedly), may be exercised by the Security Agent without further notice to any Chargor at any time after an Acceleration Event has occurred, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

11. Status, Powers, Removal And Remuneration Of Receiver

11.1 Receiver as Agent

Each Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver. Any third party referred to in this Clause 11 may enjoy the benefit or enforce the terms of this clause in accordance with the provisions of the Third Parties Act.

11.2 Powers of Receiver

Each Receiver appointed under this deed shall have all the powers conferred from time to time on mortgagees, mortgagees in possession and receivers by the CLPA (which is deemed incorporated in this deed). In addition, notwithstanding any liquidation of the relevant Chargor, each Receiver shall have power to:

- (a) develop, reconstruct, amalgamate or diversify any part of the business of that Chargor;
- (b) enter into or cancel any contracts on any terms or conditions;
- (c) incur any liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (d) establish subsidiaries to acquire interests in any part of that Chargor's Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any part of that Chargor's Charged Property on any terms and conditions;
- (e) exercise all voting and other rights attaching to that Chargor's Subsidiary Shares and stocks, shares and other securities owned by that Chargor and comprised in that Chargor's Charged Property;
- (f) redeem any prior Security on or relating to that Chargor's Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on that Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (g) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of that Chargor or relating to any part of that Chargor's Charged Property; and

do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 11.2, or otherwise incidental or conducive to the preservation, improvement or realisation part of that Chargor's Charged Property, and use the name of that Chargor for all such purposes, and in each case may use the name of that Chargor and exercise the relevant power as he would be capable of exercising if he were the absolute beneficial owner of the same and in any case, in any manner which he may think fit.

11.3 Conformity with Security Agent's directions

Any Receiver shall in the exercise of his powers, authorities and discretions conform to any regulations and directions from time to time made and given by the Security Agent provided that no person dealing with the Security Agent or any Receiver shall be concerned to enquire whether the Receiver has so conformed to any such regulations and directions.

11.4 Removal of Receiver

The Security Agent may by notice remove from time to time any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

11.5 Remuneration of Receiver

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it (without being limited to the maximum rate specified in section 29(6) of the CLPA).

11.6 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this deed (unless the document appointing such Receiver states otherwise).

11.7 Payment to Receiver

The Security Agent may pay over to any Receiver any moneys constituting part of the relevant Chargor's Charged Property to the extent that the same may be applied for the purposes of this deed by such Receiver and the Security Agent may from time to time determine what funds any Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver.

11.8 Security for due performance

The Security Agent may from time to time and at any time require any Receiver to give security for the due performance of his duties as Receiver and may fix the nature and amount of the security to be so given but the Security Agent shall not be bound in any case to require any such security.

12. Application Of Monies

12.1 Order of Application

All moneys received or recovered by the Security Agent or any Receiver pursuant to this deed shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by any Chargor. The provisions of this clause shall take effect as and by way of variation and extension to the provisions of section 29 of the CLPA, which provisions as so varied and extended shall be deemed incorporated herein.

12.2 Application against Secured Obligations

Subject to Clause 12.1 (*Order of Application*), any moneys received or realised by the Security Agent from any Chargor or a Receiver under this deed may be applied by the Security Agent to any item of account or liability or transaction forming part of the Secured Obligations to which they may be applicable in any order or manner which the Security Agent may determine.

12.3 Suspense Account

- (a) Until the Secured Obligations are paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received pursuant to this deed or on

account of any Chargor's liability in respect of the Secured Obligations in an interest bearing separate suspense account (to the credit of either that Chargor or the Security Agent as the Security Agent shall think fit) and the Receiver may retain the same for the period which he and the Security Agent consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Obligations.

- (b) If the security created by this deed is enforced at a time when no amount is due under the Senior Finance Documents but at the time when amounts may or will become due, the Security Agent (or Receiver) may pay the proceeds of recoveries into a suspense account.

13. Protection Of Third Parties

13.1 No Obligation to Enquire

No purchaser from, or other person dealing with, the Security Agent or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Security Agent or any Receiver to exercise any of the powers conferred by this deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any part of the Secured Obligations remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters, and

all the protections to purchasers contained in sections 26 and 27 of the CLPA shall apply to any person purchasing from or dealing with the Security Agent or any Receiver (or their agents). Any third party referred to in this clause 13 may enjoy the benefit or enforce the terms of this clause in accordance with the provisions of the Third Parties Act.

13.2 Receipt Conclusive

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Security Agent or any Receiver.

14. Protection Of Security Agent, Receivers And Delegates

14.1 No Liability

Neither the Security Agent, any Delegate nor any Receiver shall (either by reason of taking possession of the Charged Property or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor or any other person or in respect of any of the Charged Property or 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, their respective powers,

or any act, default omission or misconduct of any Delegate, unless caused by their gross negligence, wilful default or breach of any obligations under the Senior Finance Documents.

14.2 Possession of Charged Property

Without prejudice to Clause 14.1 (*No Liability*), if the Security Agent, any Delegate or the Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession. Any third party referred to in this Clause 14 may enjoy the benefit or enforce the terms of this Clause in accordance with the provisions of the Third Parties Act.

14.3 Liability of Chargor

Each Chargor shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and that Chargor's Charged Property shall be deemed to be a principal security for the Secured Obligations.

14.4 Security Agent

- (a) The duties and responsibilities of the Security Agent shall in relation to this deed be limited to those expressly set forth in this deed.
- (b) The Security Agent, when acting in accordance with the provisions of this deed and the Intercreditor Agreement, shall incur no liability towards any of the other parties hereto.
- (c) The Security Agent shall not be held responsible for any loss or damage resulting from a legal enactment (Swedish or foreign), the intervention of a public authority (Swedish or foreign), an act of war, a strike, a blockade, a boycott, a lockout or any other similar circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall apply even if the Security Agent itself is subject to such measures or takes such measures. Where a circumstance referred to in this paragraph prevents the Security Agent from making payments or taking measures, such payments or measures may be postponed until such circumstance no longer exists. If the Security Agent is prevented from receiving payment/delivery, the Security Agent shall not be obliged to pay interest.
- (d) Any loss or damage that has occurred in other circumstances than as set out in paragraph (c) above shall not be indemnified by the Security Agent unless such losses or damages are suffered or occurred by reason of wilful wrongdoing or gross negligence on the part of the Security Agent. The Security Agent shall for the avoidance of doubt not be deemed to be grossly negligent if having acted in accordance with such practices and procedures as are generally accepted in the banking sector. In no event shall the Security Agent be liable for any indirect loss or damage.

- (e) Each Chargor undertakes to indemnify the Security Agent from and against all actions, claims, demands and proceedings in relation to that Chargor brought or made against it in its capacity as Security Agent under this deed and all costs, charges, expenses and other liabilities of whatever nature for which it may be or become liable by reason of such actions, claims, demands and proceedings in relation to that Chargor, except with respect to any such actions, claims, demands or proceedings, costs, charges, expenses and other liabilities arising by reason of wilful wrongdoing or gross negligence on the part of the Security Agent.

15. Cumulative Powers And Avoidance Of Payments

15.1 Cumulative Powers

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

15.2 Amounts Avoided

If any amount paid by any Chargor in respect of the Secured Obligations is capable of being avoided or set aside as a result of insolvency, liquidation, administration or any similar event of that Chargor (including under sections 225 or 229 of the IRDA) or otherwise, then for the purposes of this deed that amount shall not be considered to have been paid.

15.3 Discharge Conditional

Any settlement or discharge between any Chargor and any Secured Party shall be conditional upon no security or payment to that Secured Party by that Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency (including sections 225 or 229 of the IRDA) and accordingly (but without limiting the other rights of that Secured Party under this deed) that Secured Party shall be entitled to recover from that Chargor the value which that Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

16. Saving Provisions

16.1 Waiver of Defences

Neither the obligations of the Chargors under this deed nor the security created under this deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Senior Finance Document or any

of the security (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, that Chargor or other person;
- (b) the release of that Chargor or any other person under the terms of any composition or arrangement with any creditor of any Chargor;
- (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, that Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of that Chargor or any other person;
- (e) any amendments (however fundamental) or replacement of a Senior Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Senior Finance Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of that Chargor or other person under any Senior Finance Document resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order.

16.2 Immediate Recourse

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

16.3 Deferral of Chargor's Rights

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to the Secured Obligations have terminated and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Senior Finance Documents:

- (a) to be indemnified by any person;

- (b) to claim any contribution from any other provider of security for or any other guarantor of any person's obligations under the Senior Finance Documents; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Senior Finance Documents or of any guarantee or other security taken pursuant to, or in connection with, the Senior Finance Documents by any Secured Party.

17. Ruling Off Accounts

If the Security Agent or any other Secured Party receives notice of any subsequent Security or other interest affecting any part of a Chargor's Charged Property (except as permitted by the Bond Terms and Conditions) it may open a new account for that Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the Chargor), as from the time it receives that notice, all payments made by that Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations.

18. Delegation

The Security Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this deed to any person or persons (including any Delegate) upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Agent will not be liable or responsible to the relevant Chargor or any other person for any losses arising from any act, default, omission or misconduct on the part of any delegate.

19. Redemption Of Prior Charges

The Security Agent may, at any time after an Acceleration Event has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor. The relevant Chargor will on demand pay to the Security Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

20. Notices

Any communication made under or in connection with this Deed shall be made in accordance with the terms of clause 25 (*Notices*) of the Intercreditor Agreement.

21. Changes To Parties

21.1 Assignment by the Security Agent

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this deed in accordance with the Senior Finance Documents.

21.2 Changes to Parties

Each Chargor authorises and agrees to changes to parties under Clause 2(g) (*Status of the Bonds*) of the Bonds Terms and Conditions, Clause 27 (*Changes to the Lenders*) and Clause 29 (*Changes to the Obligors*) of the Original Super Senior RCF and Clause 24 (*Changes to Parties*) of the Intercreditor Agreement and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

21.3 Changes to Chargors

No Chargor may assign any of its rights or transfer any of its rights or obligations under this deed.

22. Currency Clauses

22.1 Conversion

All monies received or held by the Security Agent or any Receiver under this deed may be converted into any other currency which the Security Agent considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Agent's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

22.2 No Discharge

No payment to the Security Agent (whether under any judgement or court order or otherwise) shall discharge the obligation or liability of the relevant Obligor in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against the Chargors and shall be entitled to enforce the security constituted by this deed to recover the amount of the shortfall.

23. Miscellaneous

23.1 Certificates Conclusive

A certificate or determination of the Security Agent as to any amount payable under this deed will be conclusive and binding on the relevant Chargor, except in the case of manifest error.

23.2 Invalidity of any Provision

If any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

23.3 Priority

If there is a conflict between this deed and the Bond Terms and Conditions then (to the extent permitted by law) the provisions of the Bond Terms and Conditions shall take priority over the provisions of this deed.

23.4 Counterparts

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

23.5 Third Party Rights

The Third Parties Act shall not apply to this deed and no rights or benefits expressly or impliedly conferred by this deed shall be enforceable under that Act against the parties to this deed by any other person, provided that any Receiver or Delegate will have the right to enforce the provisions of this deed which are given in its favour.

23.6 Covenant to Release

Once all the Secured Obligations have been paid in full and none of the Security Agent nor any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, any Obligor, the Security Agent and each Secured Party shall, at the request and cost of any Chargor:

- (a) release and re-assign to that Chargor its rights, title and interest in and to the Charged Property; and
- (b) execute such notices and directions to any person as that Chargor may reasonably require in order to give effect to such release and re-assignment,

in each case without recourse to or any representation or warranty by any Secured Party.

24. Governing Law And Jurisdiction

24.1 This deed and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed or its formation (including any non-contractual disputes or claims) shall be governed by and construed in accordance with Singapore law.

24.2 The courts of Singapore have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) ("**Dispute**").

- 24.3** For the benefit of the Secured Parties only, the parties to this deed agree that the courts of Singapore are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 24.4** Clauses 24.2 and 24.3 are for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.
- 24.5** Without prejudice to any other mode of service allowed under any relevant law or the Facility Agreement, each Chargor:
- 24.5.1** irrevocably appoints Sparrows Global Resources Pte. Ltd. as its agent for service of process in relation to any proceedings before the Singapore courts in connection with this Deed; and
- 24.5.2** agrees that failure by a process agent to notify it of the process will not invalidate the proceedings concerned.

Each Chargor expressly agrees and consents to the provisions of this Clause 24.5.

IN WITNESS whereof this agreement has been executed and delivered as a deed on the date first above written.

Schedule 1

Interpretation

1.1 Definitions

In this deed, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Authorisation" has the meaning given to such term in the Original Super Senior RCF;

"Bondholders" has the meaning given to such term in the Bond Terms and Conditions;

"Charged Company" of a Chargor means:

- (a) (in relation to SOIGL) Sparrows Global Resources Pte. Ltd. (Registration No. 201025392C), a company incorporated in Singapore and having its registered office at 112 Robinson Road #05-01 Robinson 112, Singapore 068902; and
- (b) (in relation to SOSL) Sparrows Offshore Services (Singapore) Pte. Ltd. (Registration No. 200800916R), a company incorporated in Singapore and having its registered office at 112 Robinson Road #05-01 Robinson 112, Singapore 068902;

"Charged Property" means the Subsidiary Shares, the Distribution Rights and all other assets mortgaged, charged or assigned to the Security Agent under this deed;

"CLPA" means the Conveyancing and Law of Property Act, Chapter 61 of Singapore;

"Default Rate" means the rate at which interest is payable under Clause 12.4 (*Default interest*) of the Original Super Senior RCF;

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent;

"Distribution Rights" of a Chargor means all dividends, distributions and other income paid or payable on its Subsidiary Shares, together with all shares or other property derived from its Subsidiary Shares and all other moneys, property, stocks, shares, warranties, securities, allotments, accretions, rights, benefits and advantages of all kinds distributed, accruing, offered received or otherwise derived from or related or incidental to the Subsidiary Shares (whether by way of conversion, exchange, sale, redemption, bonus, preference, option, contractual rights or otherwise);

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Deed and made between, among others, the Parent, Hawk Debtco Limited as the issuer and Nordic Trustee & Agency AB (publ) as the original bonds agent and original security agent;

"IRDA" means the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018) of Singapore;

"Permitted Security" has the meaning given to such term in the Bonds Terms and Conditions.

"Receiver" means a receiver and manager or (if the Security Agent so specifies in the relevant appointment) receiver in each case appointed under this deed;

"Subsidiary Shares" of a Chargor means all shares owned by that Chargor in its Charged Company; and

"Third Parties Act" means the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

1.2 Construction

(a) In this deed, unless a contrary intention appears, a reference to:

- (i) an **"agreement"** includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (ii) an **"amendment"** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **"amend"**, **"amending"** and **"amended"** shall be construed accordingly;
- (iii) **"assets"** includes present and future properties, revenues and rights of every description;
- (iv) **"including"** means including without limitation and **"includes"** and **"included"** shall be construed accordingly;
- (v) **"losses"** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **"loss"** shall be construed accordingly;
- (vi) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing; and
- (vii) 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 regulatory, self-regulatory or other authority or organisation;

(b) unless the context otherwise requires or unless otherwise defined in this deed, words and expressions defined in the Intercreditor Agreement have the same meanings when used in this deed; and

(c) the parties intend that this document shall take effect as a deed.

1.3 Other References:

- (a) In this deed, unless a contrary intention appears, a reference to:

 - (i) any Finance Party, any Obligor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees and in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Senior Finance Documents;
 - (ii) any clause or schedule is a reference to, respectively, a clause of and schedule to this deed and any reference to this deed includes its schedules;
 - (iii) any Finance Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended or novated (excluding any amendment or novation made contrary to any provision of any Finance Document); and
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.
- (b) The index to and the headings in this deed are inserted for convenience only and are to be ignored in construing this deed.
- (c) Words importing the plural shall include the singular and vice versa.

SIGNATORIES TO SHARE CHARGE

The Chargors

SIGNED, SEALED AND DELIVERED)
and)
EXECUTED AS A DEED by SPARROWS)
OFFSHORE INTERNATIONAL GROUP)
LIMITED by its authorised signatory (a
director) in the presence of:


Authorised Signatory
Name: Neil A Johnson
Title: Director




Witness

Name: JOANNE H JOHNSON

Designation: Teacher

Address: 

Notice Details

Address : FAO Neil Johnson, Chief Financial Officer, C/O Pinsent Masons LLP, 13 Queens
Road Aberdeen, AB15 4YL
Email : Neil.Johnson@sparrowsgroup.com
Attention : Neil Johnson

The Chargors

SIGNED, SEALED AND DELIVERED)
and)
EXECUTED AS A DEED by SPARROWS)
OFFSHORE SERVICES LIMITED by its)
authorised signatory in the presence of:

Authorised Signatory

Name: NEIL A JOHNSON

Witness

Name: JOANNE H JOHNSON

Designation: Teacher

Address:

Notice Details

Address : FAO Neil Johnson, Chief Financial Officer, C/O Pinsent Masons LLP, 13 Queens
Road Aberdeen, AB15 4YL
Email : Neil.Johnson@sparrowsgroup.com
Attention : Neil Johnson

The Security Agent

SIGNED, SEALED AND DELIVERED by)
NORDIC TRUSTEE & AGENCY AB)
(PUBL) by its authorised signatory in the)
presence of:)



Authorised Signatory

Name: **Adam Kastengren Sandberg**



Witness:

Name: *Filip Lundin*

Designation: *Associate, Roschier Advokatbyrå*

Address:



Notice Details

Address : Box 7329, 103 90 Stockholm, Sweden
Email : sweden@nordictrustee.com
Facsimile : +46 7 055 09 723
Attention : Bond Agent / Security Agent