



Registration of a Charge

Company name: **DENHOLM OILFIELD SERVICES GROUP LIMITED**

Company number: **SC257425**



X4IHC4YA

Received for Electronic Filing: **21/10/2015**

Details of Charge

Date of creation: **12/10/2015**

Charge code: **SC25 7425 0002**

Persons entitled: **HSBC BANK PLC**

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:

**GORDON HAY FOR AND ON BEHALF OF CMS CAMERON
MCKENNA LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 257425

Charge code: SC25 7425 0002

The Registrar of Companies for Scotland hereby certifies that a charge dated 12th October 2015 and created by DENHOLM OILFIELD SERVICES GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st October 2015 .

Given at Companies House, Edinburgh on 21st October 2015

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



Companies House



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

Denholm Oilfield Services Group Limited

HSBC Bank plc

Deed of Pledge
(Shares in Scottish Registered Companies)

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PLEDGE

DENHOLM OILFIELD SERVICES GROUP LIMITED, formerly Denholm Oilfield Services Limited, registered in Scotland Number SC 257425 (the "**Company**")

in favour of

HSBC BANK PLC registered in England Number 14259 (the "**Bank**")

1. Interpretation

Clause 28 (*Interpretation*) applies to the interpretation of this Pledge.

2. Pledge

Subject always to the terms of this Pledge, the Company hereby, as continuing security for the payment and discharge of the whole and each and every part of the Secured Obligations, pledges, charges and assigns to the Bank the Pledged Shares and all dividends paid or payable after the date of the execution by the Company of this Pledge on or in respect of all or any of the Pledged Shares and all stocks, shares, securities (and the dividends and interest thereon), rights, monies or property accruing or offered at any time by way of redemption, bonus, preference, option rights, warrant rights or otherwise to or in respect of any of the Pledged Shares or in substitution or exchange for any of the Pledged Shares.

3. Dividends

3.1 Subject to Clause 3.2 all dividends paid in respect of the Pledged Shares shall be paid to the Company.

3.2 If and when required by the Bank

3.2.1 after the occurrence of a Default; or

3.2.2 when the security created by this Pledge is enforceable in accordance with Clause 7 (*When Security is enforceable*)

all dividends paid or payable in respect of the Pledged Shares in respect of the Pledged Shares or any of them and other monies received or receivable in respect of stocks, shares, securities, rights or property referred to above shall be paid to the Bank and pending such payment shall be held on trust for the Bank and on receipt by the Bank may be applied by the Bank as though they were proceeds of sale of the Pledged Shares.

4. Registration of the Pledged Shares

Until the Secured Obligations have been irrevocably and unconditionally repaid and discharged in full, the Company shall register, or procure the registration of, the Pledged Shares in the name of the Bank or the Nominees and shall procure that the Bank or the Nominees remains the registered holder of the Pledged Shares until the Secured Obligations have been so repaid and discharged.

5. Rights to Subscribe for Other Securities

If the Pledged Shares or any of them for the time being subject to this Pledge shall entitle the holder thereof to rights to subscribe for any other share or securities then the Company shall do or procure to be done all such acts and things and execute or procure to be executed all such documents (including such deed or deeds supplemental to this Pledge as the Bank shall require) so as to pledge and/or charge in favour of the Bank such number or amount of such other shares or securities which the Bank is satisfied has a value equivalent to the value of such rights.

6. Voting Powers

6.1 Subject to Clauses 6.2 and 6.3 the full voting and other rights and powers in respect of the Pledged Shares shall be exercised on all matters by the Company (and the Bank shall procure that the Nominees shall appoint the Company as the Nominees' proxy in relation to such rights and powers).

6.2 If and when required by the Bank after

(a) the occurrence of a Default; or

(b) while the security created by this Pledge is enforceable in accordance with Clause 7 (*When Security is enforceable*))

all such rights and powers shall be exercisable by the Bank or the Nominees (as the case may be) in such manner as they see fit and any proxy granted by the Bank or the Nominees in favour of the Company shall then lapse on any such request or be deemed to have been revoked.

6.3 Notwithstanding Clause 6.1 the Company shall not exercise voting and other rights and powers at any time in a manner which would:

6.3.1 in the opinion of the Bank, result in:

(a) the position of the Bank in respect of the security created by this Pledge being adversely affected; or

(b) any reduction in the value or worth of the security created by this Pledge; or

6.3.2 result in any of the Pledged Shares being vested in, held by or registered in the name of any person other than the Bank or the Nominees.

7. When Security is Enforceable

The security constituted by this Pledge shall become immediately enforceable upon the occurrence of an Event of Default and the Bank and/or its Nominee may at any time after such occurrence:

7.1 sell or convert into money all or any of the Pledged Shares for such consideration (whether in cash, securities or other assets and whether deferred or not) and whether by private bargain or public auction as the Bank may in its sole discretion think fit;

7.2 exercise in their absolute discretion (in the Company's name and without any further consent or authority on the part of the Company) in respect of all or any of the Pledged Shares any voting and other rights and any powers which may be exercised by the person in whose name the Pledged Shares are registered or who is the holder thereof under the terms of this Pledge;

7.3 exercise the rights and powers conferred by Clauses 3.2 and 6.2; and/or

- 7.4 exercise in their absolute discretion all other powers and rights which may be exercised by the registered holder of the Pledged Shares and generally act in relation to the Pledged Shares in such manner as the Bank shall think fit.

8. Calls

- 8.1 The Bank may, but shall not be obliged to, pay any calls or other sums that may be or become due in respect of all or any of the Pledged Shares or any part thereof and the Company undertakes to pay to the Bank on written demand all such sums so paid by the Bank together with interest thereon at an annual rate of 3% over the base rate from time to time and for the time being of the Bank.
- 8.2 Any monies expended by the Bank under this Clause 8 (and interest thereon) shall form part of the Secured Obligations and shall be secured by this Pledge.

9. Liability to Perform

It is expressly agreed that, notwithstanding anything to the contrary detailed in this Pledge:

- 9.1 the Company shall remain liable to observe and perform all of the conditions and obligations relating to the Pledged Shares and (save as otherwise provided in this Pledge) the Bank shall be under no obligation or liability by reason of or arising out of this Pledge;
- 9.2 the Bank shall not be required in any manner to perform or fulfil any of the Company's obligations in respect of the Pledged Shares;
- 9.3 in the event of the Company's failure to fulfil any of the said obligations the Bank may make such payments or perform or fulfil any of the said obligations on the Company's behalf and any money expended or costs incurred by the Bank under this Clause 9 (and interest thereon) shall be deemed properly paid, shall be recoverable from the Company and, until recovered, shall form part of the Secured Obligations and shall be secured by this Pledge.

10. Continuing Security

- 10.1 The security constituted hereby shall be a continuing security, shall extend to the ultimate balance of the Secured Obligations and shall continue in force notwithstanding any intermediate payment in whole or in part of the Secured Obligations.
- 10.2 If for any reason the security constituted hereby ceases to be a continuing security, the Bank may open a new account with or continue any existing account with the Company and the Company's liability in respect of the Secured Obligations at the date of such cessation shall remain regardless of any payments in or out of any such account.
- 10.3 Where any discharge (whether in respect of the Secured Obligations, this Pledge, any security therefor or otherwise) is made in whole or in part or any arrangement is made in whole or in part on the faith of any payment, security or other disposition which is or may be avoided or repaid on the bankruptcy, insolvency, liquidation, administration or otherwise, without limitation, of the Company, the Company's liability under this Pledge shall continue as if there had been no such discharge or arrangement and the Bank shall be entitled to concede or compromise any claim that any such payment, security or other disposition is liable to avoidance or repayment.

10.4 Until the Secured Obligations have been irrevocably and unconditionally paid and discharged in full, the Bank may

10.4.1 refrain from applying or enforcing any other security, monies or rights held or received by the Bank in respect of the Secured Obligations or apply and enforce the same in such manner and order as the Bank sees fit (whether against such amounts or otherwise) and the Company shall not be entitled to the benefit of the same; and

10.4.2 hold in suspense account (bearing interest at the rate, if any, agreed in writing between the Company and the Bank from time to time) for so long as the Bank may think fit, any monies received from the Company on account of the Secured Obligations by way of a partial payment, pending application from time to time of such monies and any accrued interest in or towards discharge of the Secured Obligations.

11. Release of Pledged Shares

Upon the irrevocable and unconditional repayment and discharge in full of the Secured Obligations, or in the event of the Bank determining to release the Pledged Shares for any other reason, the Bank shall transfer or cause the Nominees to transfer to the Company and the Company shall accept the transfer of all the Pledged Shares then held by or to the order of the Bank (including any other shares and securities pledged to the Bank and/or the Nominees in accordance with the provisions of Clause 5 above) and the Bank shall at the Company's cost execute or do all such transfers, assurances and things which the Company may reasonably require with a view to ensuring the valid reconveyance of the Pledged Shares (and any such other shares and securities) to the Company.

12. Other Security and Undertakings

12.1 This Pledge is in addition to any present or future standard security, mortgage, charge, guarantee, lien or other security held by the Bank.

12.2 The rights of the Bank under this Pledge are in addition to and not exclusive of those provided by law.

12.3 The Bank shall not be bound first to enforce any rights against the Company under any guarantee, collateral or other security before enforcing the security constituted by this Pledge.

12.4 The Company hereby undertakes to the Bank that during the continuation of the security constituted by this Pledge the Company shall not (without the prior written consent of the Bank) create or purport to create or permit to subsist any pledge, security, interest, mortgage, debenture, charge, lien or encumbrance on or over the Pledged Shares or any part thereof or any interest therein or sell, transfer or otherwise dispose of the Pledged Shares or any part thereof or any interest therein or attempt or agree so to do.

13. Expenses and Stamp Duty

13.1 The Company shall on demand reimburse the Bank for the charges and expenses (including but not limited to the fees and expenses of legal advisers) incurred by the Bank or its Nominee in connection with the entry into or enforcement of, or the preservation of any rights under, this Pledge (including in each case value added tax or any similar tax thereon).

13.2 The Company shall make payment to the Bank of an amount equal to any and all stamp, registration and similar taxes which may be payable by the Bank or its Nominee in connection

with the entry into, or the performance or enforcement of, this Pledge (including penalties for late payment).

14. Remedies and Waivers

- 14.1 Any single or partial exercise on the part of the Bank of any right, power, discretion or remedy under this Pledge shall not preclude any other or further exercise thereof, or the exercise of any other right, power, discretion or remedy under this Pledge.
- 14.2 Any waiver and any consent by the Bank under this Pledge must be made in writing and may be given subject to any conditions thought fit by the Bank.
- 14.3 Any waiver or consent shall be effective only in the instance and for the purpose for which it is given and, notwithstanding anything to the contrary contained herein, may be given retrospectively.

15. Further Assurance

The Company shall take all steps that the Bank may require to perfect under any appropriate law the security intended to be constituted by or pursuant to this Pledge in respect of all or any part of the Pledged Shares for the purposes of protecting such security or (upon such security becoming enforceable) facilitating the realisation of all or any of the Pledged Shares and/or the enforcement of the security constituted by or pursuant to this Pledge and/or the exercise of any rights of the Bank under this Pledge.

16. Power of Attorney

The Company hereby irrevocably appoints the Bank to be its attorney (with full power to appoint substitutes and to delegate):

- 16.1 to execute and perfect all deeds, instruments, notices and documents relative to the Pledged Shares;
- 16.2 to do anything which the Company has agreed to do under this Pledge and is legally able to do but has failed to do after a request from the Bank to do so;
- 16.3 to exercise all or any of the powers, authorities and discretions conferred by this Pledge upon the Bank; and
- 16.4 to do anything which the Bank shall think fit for the carrying out of any sale, security or dealing by the Bank with all or any part of the Pledged Shares.

17. Notices

Any demand, notice or proceeding under this Pledge may be served:

- 17.1 by letter, sent first-class post to, or left at, the Company's last known address or registered office and if sent by post, will be deemed to have been served at the time it would, in the ordinary course of post, be delivered; or
- 17.2 by fax or other electronic means to the Company's last known fax number or electronic mail address and will be deemed to have been served at the time of transmission.

18. Assignment and Successors

- 18.1 The Bank may assign all or any of its rights under this Pledge to any person at any time. Any successor to or assignee of the Bank shall be entitled to the full benefit of this Pledge.

- 18.2 The Company may not assign or transfer all or any part of its rights or obligations under this Pledge.

19. Disclosure of Information

The Company consents to the disclosure by the Bank of any information about the Company, this Pledge, the Pledged Shares or the Secured Obligations to:

- 19.1 any person to whom the Bank proposes to sell, assign or transfer, or has sold, assigned or transferred, all or any of its rights, benefits and obligations under this Pledge or the Secured Obligations;
- 19.2 any person with whom the Bank proposes to enter, or has entered, into any arrangements in respect of this Pledge or the Secured Obligations;
- 19.3 any company within the HSBC Group;
- 19.4 any agent of the Bank or of any company within the HSBC Group; or
- 19.5 any other person, if required or permitted by law to do so.

20. Illegality

- 20.1 If any of the provisions of this Pledge is or becomes invalid or unenforceable in any way under any law, the validity of the remaining provisions will not in any way be affected or impaired.
- 20.2 If any invalid or unenforceable provision would not be invalid or unenforceable if its form and effect were modified in any way, it shall be deemed to have the modified form or effect so long as the Bank consents.

21. Third Parties

No purchaser or other person shall be bound or concerned to see or enquire whether the rights of the Bank to exercise any of the powers hereby conferred have arisen or not or be concerned with notice to the contrary or of the propriety of the exercise or purported exercise of such powers.

22. Warranty

The Company hereby warrants, represents and undertakes to the Bank that:

- 22.1 it is the sole owner of the Pledged Shares;
- 22.2 subject only to Clause 4 (*Registration of the Pledged Shares*) the Pledged Shares are registered in the Company's name;
- 22.3 the Pledged Shares are free from any lien, charge, encumbrance or option (other than such as have been created or granted by the Company pursuant to this Pledge or otherwise in favour of the Bank);
- 22.4 the Pledged Shares are fully paid up and there are no monies or liabilities outstanding or payable in respect of the Pledged Shares or any of them; and
- 22.5 it is lawfully entitled to create the security constituted by this Pledge.

23. Liability

Except as otherwise expressly provided herein, the Bank shall not in any circumstances be liable to account to the Company for any sums or be liable to the Company for any loss or damage arising:

- 23.1 from any realisation by the Bank of the Pledged Shares or any part thereof in the exercise of the Bank's rights or powers under this Pledge;
- 23.2 from any act, default or omission of the Bank in relation to the exercise of the Bank's powers under this Pledge (other than wilful default or gross negligence); or
- 23.3 from the exercise or non-exercise by the Bank of any power, authority or discretion conferred upon the Bank in relation to the Pledged Shares or any part thereof by or pursuant to this Pledge.

24. Indemnity

- 24.1 The Company hereby indemnifies and undertakes to keep indemnified the Bank and the Nominees in respect of all liabilities and reasonable expenses incurred by it or them in good faith in the execution or purported execution of any rights, powers or discretions vested in it or them pursuant to this Pledge as a result of being the registered holder of the Pledged Shares from whatsoever cause arising, provided that this indemnity shall not apply in respect of such liabilities and expenses directly attributable to gross negligence or wilful default on the part of the Bank or the Nominees.
- 24.2 The Bank shall not be liable for any losses arising in connection with the exercise or purported exercise of any of its rights, powers and discretions in good faith under this Pledge to the extent that such losses are not directly attributable to the gross negligence or wilful default of the Bank.

25. Certificate of the Amount of the Secured Obligations

An account or certificate signed by any manager or officer of the Bank shall ascertain, specify and constitute, in the absence of manifest error, the amount of the Secured Obligations or of any part or portion thereof.

26. Governing Law

This Pledge shall be governed by and construed in all respect in accordance with the laws of Scotland and the parties hereby prorogate the non-exclusive jurisdiction of the Scottish Courts.

27. Registration

The Company consents to the registration for preservation and execution of these presents and of any certificate or account as referred to in Clause 25 hereof.

28. Interpretation

- 28.1 In this Pledge the following definitions apply:

"Default" means

- (a) an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing) be an Event of Default;

- (b) any other Default as defined in the Facilities Agreement;

"Event of Default":

- (a) if the Secured Obligations or any part of them is not paid or discharged when due (whether on demand, at agreed maturity or earlier as the case may be); or; or any part of it,
- (b) if the Company is in breach of any of the obligations under this Pledge; or
- (c) if the Company shall enter into any composition or arrangement for the benefit of its creditors; or
- (d) if any step is taken for the administration, receivership or winding up, dissolution or similar proceedings of or against the Company (which includes, without limitation, in each case, the board of directors or the Company in general meeting, passing a resolution for the same) except, in the case of winding up, or the purpose of reconstruction or amalgamation where the Bank's prior written consent has been obtained; or
- (e) if a third party seeks to or takes possession of, or a receiver shall be appointed over, or any third party shall seek to enforce his security in respect of, all or any of the property the subject of the security created by this Pledge or any other event shall happen which puts in jeopardy all or any part of the security created by this Pledge; or
- (f) if the Bank, in its reasonable discretion, considers that any claim may be made against the Bank under any bond, guarantee, indemnity or other contingent liability issued or entered into for any liabilities of the Company; or
- (g) the Company's membership (if any) of CREST is suspended or terminated for any reason; or
- (h) any other Event of Default as defined in the Facilities Agreement; or
- (i) if any other event shall occur which has been agreed by the Company and the Bank as an event upon the occurrence of which this or any other security for the Secured Obligations shall be enforceable;

"Facilities Agreement": means the term and revolving facilities agreement dated on or around the date of this Pledge between Denholm Oilfield Services Limited, Company Number 09186034 and others as Borrowers and/or Guarantors and HSBC Bank plc as Lender as amended, supplemented, restated or novated from time to time;

"Nominees": the person or persons (other than the Bank) nominated by the Bank in whose name or names all or any of the Pledged Shares are from time to time and for the time being registered in accordance with Clause 4;

"Pledge": this Deed of Pledge;

"Pledged Shares": the shares listed in the Schedule annexed to this Pledge together with all rights and entitlements attaching to or arising in respect of all or any of such shares and any shares, rights or entitlements arising from any sub-division or consolidation of, or other reorganisation of share capital involving, all or any of such shares; and

"Secured Obligations": all money and liabilities whatever, whenever and however incurred whether now or in the future, due, or becoming due from the Company to the Bank either

alone or jointly with any other person or persons, company or companies and whether in the character of principal debtor, cautioner, guarantor or surety or otherwise howsoever and including, but not limited to:

- (a) overdrafts, loans or other facilities and further advances of money;
- (b) guarantees and indemnities to the Bank and any of the Company's other contingent liabilities;
- (c) discount, commission and other lawful charges and expenses;
- (d) interest in accordance with any agreement between the Company and the Bank and, if there is no agreement, interest on any money and liabilities due from the Company at an annual rate of 3% above the Bank's base rate from time to time computed and compounded monthly and/or according to the Bank's then current practice, to apply before and after any demand or judgement;
- (e) money agreed to be paid by the Company under Clause 13 (*Expenses and stamp duty*) below.
- (f) all other sums payable and that may become payable to the Bank under this Pledge including, without limitation, pursuant to Clauses 8 (*Calls*) and 9 (*Liability to perform*)

28.2 Any reference in this Pledge to "security" shall be construed to include a guarantee or cautionary obligation.

28.3 In the event of any direct conflict between the provisions of the Facilities Agreement and the provisions of this Floating Charge the provisions of the Facilities Agreement shall prevail.

IN WITNESS WHEREOF these presents consisting of this and the 8 preceding pages together with the schedule annexed as relative hereto are executed as follows:

By
DENHOLM OILFIELD SERVICES GROUP
LIMITED

on being signed by:

MICHAEL BEVERIDGE

Director

in the presence of:

Witness signature:

Witness name:

Witness address:

MICHAEL MURPHY

50 WELLINGTON STREET

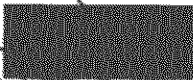
GLASGOW G2 6HS

Occupation of witness:

Solicitor

at Glasgow on 12 October 2015

Signed by STEPHEN LECKIE
for and on behalf of
HSBC BANK plc

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)
) 
Duty Authorised Signatory

**THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING DEED OF PLEDGE BY
DENHOLM OILFIELD SERVICES GROUP LIMITED IN FAVOUR OF HSBC BANK PLC.**

No.	Name of entity in which shares held	Registered Number	Designation of Shares	Number of Shares
1.	Denholm Valvecare (Holdings) Ltd	SC300216	Ordinary shares of £1	500,000

