



**Registration of a Charge**

Company name: **FR FLOW CONTROL VALVES BIDCO LIMITED**

Company number: **11838101**



X8IMEQQ7

Received for Electronic Filing: **20/11/2019**

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**Details of Charge**

Date of creation: **19/11/2019**

Charge code: **1183 8101 0002**

Persons entitled: **BNP PARIBAS**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **ALAN SOPPITT**



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

Company number: 11838101

Charge code: 1183 8101 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th November 2019 and created by FR FLOW CONTROL VALVES BIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th November 2019 .

Given at Companies House, Cardiff on 21st November 2019

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

EXECUTION VERSION

 Burness Paull

**FR FLOW CONTROL VALVES BIDCO LIMITED**

as Chargor

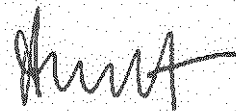
in favour of

**BNP PARIBAS**

as Security Agent for the Secured Parties

**DEED OF PLEDGE**

of shares in the capital of Trillium Flow Technologies Holdings Ltd



for and on behalf of Burness Paull LLP

at EDINBURGH on 19 NOVEMBER 2019

I certify that, save for the material redacted pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument

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## DEED OF PLEDGE

by

- (1) **FR FLOW CONTROL VALVES BIDCO LIMITED** a company incorporated under the Companies Acts with registered number 11838101 and having its registered office at 35 Great St. Helen's, London, United Kingdom, EC3A 6AP (the "**Chargor**")

in favour of

- (2) **BNP PARIBAS** whose office is at 787, Seventh Avenue, New York, NY 10019 or such other office as it may select from time to time as trustee for the Secured Parties (as defined in the Credit Agreement referred to below) (the "**Security Agent**").
- (3)

## CONSIDERING THAT:

- (A) the Chargor enters into this Deed in connection with the Credit Agreement (as defined below).

**NOW IT IS HEREBY AGREED AND DECLARED** as follows:

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 In this Deed:

**"Charge"** means the security created or expressed to be created by or pursuant to this Deed;

**"Company"** means Trillium Flow Technologies Holdings Ltd, a company incorporated under the Companies Acts with registered number SC602583 and having its registered office at Clydesdale Bank Exchange, Fourth Floor, 20 Waterloo Street, Glasgow, Scotland, G2 6BD;

**"Credit Agreement"** means the credit agreement dated on 28 June 2019 between, FR Flow Control Luxco 1 S.à r.l. and FR Flow Control CB LLC as borrowers, amongst other entities the Chargor as guarantor, the Secured Parties and the Security Agent;

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

**"Discharge Date"** means the date on which all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising;

**"Dividends"** means all dividends and distributions of any kind, interest and any other income received or receivable in relation to any of the Shares;

**"Enforcement Event"** means the occurrence of an Event of Default which is continuing/which has resulted in the Agent serving a notice pursuant to clause 8.02 (Remedies upon Event of Default) of the Credit Agreement;

**"Enforcement Notice"** means a notice in writing by the Security Agent to the Chargor specifying that (i) an Event of Default has occurred and is continuing and (ii) it has elected to exercise the voting rights and other rights and powers in respect of the Shares;

**"Event of Default"** has the meaning given to it in the Credit Agreement;

**"Existing Shares"** means the shares in the capital of the Company described in the Schedule;

**"Further Shares"** means any shares in the capital of the Company (other than the Existing Shares) at any time and from time to time held by the Chargor;

**"Investments"** means the Shares and Dividends;

**"Pensions Notice"** means a contribution notice or a financial support direction issued by the Pensions Regulator under the Pensions Act 2004;

**"Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226);

**"Related Rights"** means any dividend or interest paid or payable in relation to any of the Shares and any rights, money or property accruing or offered at any time in relation to any of the Shares by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

**"Relevant Currency"** means, in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated;

**"Schedule"** means the schedule annexed hereto;

**"Secured Assets"** means the Existing Shares, the Further Shares and the Related Rights;

**"Secured Liabilities"** means all present and future Guaranteed Obligations of all kinds (whether direct or indirect) and in any currency (whether actual or contingent and whether owed as principal or surety, jointly or severally or in any other capacity whatsoever and whether owed to the original obligee or any other person as a result of any transfer, amalgamation or acquisition including interest, fees, banking charges, commission and sums due in relation to costs and expenses) due, owing or incurred to the Security Agent (whether for its own account or as agent for the Secured Parties) or any of the Secured Parties;

**"Shares"** means the Existing Shares and the Further Shares;

**“US Security Agreement”** means the New York law governed security agreement dated 28 June 2019 among FR Flow Control Midco Limited as Parent, FR Flow Control Holdco Limited as Holdings, FR Flow Control Luxco 1 S.À.R.L. as Luxco Borrower, FR Flow Control CB LLC as US Borrower and each of the other grantors party thereto in favor of BNP Paribas as collateral agent; and

**“Winding-up”** means the winding-up of a person and also includes the amalgamation, reconstruction, reorganisation, dissolution, administration, liquidation, merger or consolidation of that person, and any equivalent or analogous procedure under the law of any jurisdiction to which the person is subject (and references to the commencement of any of the foregoing include a reference to the presentation of a petition to a court of competent jurisdiction or the passing of a valid resolution for or with a view to any of the foregoing).

## **1.2 Construction**

1.2.1 Unless defined or construed in this Deed, a term defined or construed in the Credit Agreement has the same meaning in this Deed and in any notice given under or in connection with this Deed.

1.2.2 A Loan Document or other document includes (without prejudice to any prohibition on amendments) all amendments however fundamental to that Loan Document or other document, including any amendment providing for any increase in the amount of a facility or any additional facility.

1.2.3 The term this **“Charge”** means any security created by this Deed and **“Party”** means any party to this Deed.

1.2.4 A reference to any asset, unless the context otherwise requires, includes any present and future asset.

1.2.5 If the Security Agent considers that an amount paid to it or any Secured Party is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

1.2.6 Unless the context otherwise requires, a reference to a Secured Asset includes the proceeds of sale of that Secured Asset.

1.2.7 Clause and Schedule headings are for ease of reference only and shall be to a Clause or Schedule contained in this Deed unless otherwise specified.

1.2.8 An Event of Default is “continuing” if it has not been remedied or waived.

1.2.9 The term this **“Security”** means any security created by this Deed.

## **1.3 Third party rights**

- 1.3.1 Unless expressly provided to the contrary in a Loan Document, this Deed does not confer on any person who is not a Party (other than any nominee specified by the Security Agent) any right to enforce or otherwise invoke this Deed or any part of it under the Contract (Third Party Rights) (Scotland) Act 2017.
- 1.3.2 Notwithstanding any term of any Loan Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## **2 BOND**

- 2.1 The Chargor undertakes to the Security Agent (as agent for the Secured Parties) to pay, discharge and satisfy all the Secured Liabilities when due in accordance with their respective terms (or, if the relevant terms do not specify a time for payment, immediately on demand by the Security Agent).

## **3 PLEDGE**

### **3.1 Security**

The Chargor, by way of continuing security for the payment and discharge of the Secured Liabilities:

- 3.1.1 hereby pledges and charges to and in favour of the Security Agent the Existing Shares and any Related Rights to which it is entitled at the date of its execution of this Deed; and
- 3.1.2 irrevocably and unconditionally binds and obliges itself to pledge and charge to and in favour of the Security Agent and in accordance with the remaining provisions of this Clause, any Further Shares and any Related Rights to which it becomes entitled after the date of its execution of this Deed.

### **3.2 Delivery of Documents**

The Chargor shall:

- 3.2.1 immediately after execution and delivery of this Deed, deliver or cause to be delivered to the Security Agent, certificates and other documents of title or evidence of ownership in the name of the Security Agent or (if specified by the Security Agent) its nominee in respect of the Existing Shares and Related Rights; and
- 3.2.2 on each future occasion on which the Chargor becomes entitled to any Further Shares or Related Rights (whether by purchase, subscription or otherwise), deliver or cause to be delivered to the Security Agent, certificates and other documents of title or evidence of ownership in the name of the Security Agent or (if specified by the Security Agent) its nominee in respect of such Further Shares and Related Rights.



### **3.3 Share Transfers**

The Chargor shall:

- 3.3.1 immediately after execution and delivery of this Deed, deliver or cause to be delivered to the Security Agent evidence that the board of directors of the Company has approved the transfer of the Existing Shares for registration in accordance with the Articles of Association of the Company and that the name of the Security Agent or (as the case may be) its nominee has been entered in the register of members of the Company in respect of the Existing Shares; and
- 3.3.2 on each future occasion on which the Chargor becomes entitled to any Further Shares, deliver or cause to be delivered to the Security Agent evidence that the board of directors of the Company has approved the transfer of such Further Shares for registration in accordance with the Articles of Association of the Company and that the name of the Security Agent or (as the case may be) its nominee has been entered in the register of members of the Company in respect of such Further Shares.

## **4 THE SHARES**

### **4.1 Voting rights**

- 4.1.1 Subject to Clauses 4.1.4, until the Security Agent issues an Enforcement Notice, the voting and the other rights and powers attached to the Shares shall be exercised by the Security Agent or its nominee (as the case may be) in such manner as the Chargor shall from time to time direct by notice in writing to the Security Agent and the Security Agent or its nominee will, subject to receiving reasonable prior notice in writing from the Chargor, procure the appointment of such proxy or corporate representative as the Chargor may require to attend general meetings of the Company and vote in accordance with the Chargor's instructions in respect of the Shares.
- 4.1.2 Subject to Clauses 4.1.5(e) and 4.1.6, with effect from the date of the delivery of an Enforcement Notice, the Security Agent may at its discretion, in the name of the Chargor or otherwise and without any further consent or authority from the Chargor, exercise (or refrain from exercising) or direct the exercise of the voting and other rights and powers attached to the Shares in such manner as it sees fit.
- 4.1.3 Prior to an Enforcement Event
  - (a) the Chargor is entitled to exercise or direct the exercise of the voting and other rights attached any Investment and Related Rights as it sees fit;
  - (b) deal with, and exercise (or refrain from exercising) any other powers and rights relating to, the Shares and any Investment and the Related Rights in any other manner; and

- (c) the Chargor may make Dividends as it sees fit and as permitted under the Credit Agreement;

4.1.4 in each case, provided that:

- (a) it does so for a purpose not inconsistent with its obligations under any Loan Document; and
- (b) the exercise or failure to exercise those rights does have a material and adverse effect on the rights of a holder of the Investments or the Security Agent's rights and remedies under this Deed.

4.1.5 After an Enforcement Event:

- (a) the Security Agent will be entitled to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Investment which may be exercised by the owner or holder of any Investment;
- (b) the Chargor shall comply with, any directions of the Security Agent in relation to the exercise of those rights and shall promptly execute and deliver to the Security Agent all forms of proxy as the Security Agent may require by request to such Chargor in connection with the exercise of those rights;
- (c) all Dividends shall be paid or transferred to the Security Agent (or to its order) and any Dividends received by the Chargor shall be held by the Chargor on trust for the Security Agent and immediately paid by it to the Security Agent or to any nominee designated by the Security Agent. The Security Agent will be entitled to apply those Dividends in such manner as it sees fit;
- (d) where any Investments are held in a settlement system, each Chargor shall give all necessary instructions to or via that settlement system to ensure that Dividends are paid or transferred to the Security Agent, or its nominee, and that voting rights are exercisable by the Security Agent in accordance with Clauses 4.1.5(a) and 4.1.5(b) above;
- (e) the Security Agent may, in its absolute discretion, and without any consent or authority from the Chargor, by notice to the Chargor elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Security Agent pursuant to Clause 4.1.5(a) above; and
- (f) once a notice has been issued by the Security Agent under Clause 4.1.5(e) above, on and from the date of such notice, the Security Agent shall cease

to have the rights to exercise or refrain from exercising voting rights in respect of the Shares conferred or to be conferred on it pursuant to Clause 4.1.5(a) above or any other provision of this Deed and all such rights shall be exercisable by the Chargor. The Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in Clause 4.1.5(a) above.

4.1.6 Once a notice has been issued by the Security Agent under Clause 4.1.5(e) above, on and from the date of such notice the Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares conferred or to be conferred on it pursuant to Clause 4.1.2 or any other provision of this Deed and all such rights will be exercisable by the Chargor. The Chargor shall be entitled on and from the date of such notice, to exercise all voting rights in relation to the relevant Shares subject only to the provisions of Clause 4.1.3.

4.1.7 For the avoidance of doubt, and without prejudice to the rights of the Security Agent under the Credit Agreement, nothing shall oblige the Security Agent, either before or after the occurrence of an Event of Default, to exercise voting rights or rights to receive dividends in respect of the Shares.

#### **4.2 PSC Notice**

4.3 The Chargor shall within the relevant timeframe, comply with any warning or restrictions notice it receives pursuant to 790D or 290E Part 21A of the Companies Act 2006 (UK).

#### **4.4 Receipts**

Until an Enforcement Event occurs, all monies (including dividends) paid in respect of the Secured Assets and received by the Security Agent or its nominee shall be for the account of the Chargor and the Security Agent or its nominee shall account to the Chargor for those monies. After the occurrence of an Enforcement Event, the Security Agent may apply all monies (including dividends) in respect of the Secured Assets received by the Security Agent or its nominee as though they were proceeds of sale of the Secured Assets and if the Chargor or any person on its behalf receives or obtains the benefit of any monies paid in respect of any Secured Assets it shall account to the Security Agent for those monies. If the Chargor (or any person on its behalf) receives any cheque, warranty or other monetary instrument in respect of any monies for which it would on receipt be obliged to account pursuant to this Clause 4.4, it shall immediately pay those monies or procure the transfer of such instrument to the Security Agent.

#### **4.5 Calls etc.**

Each Chargor shall pay all calls and other payments due and payable in relation to its Investments. If a Chargor fails to do so, the Security Agent may (but shall not be obliged to) pay those calls or other payments on the Chargor's behalf and such Chargor shall promptly on written demand reimburse the Security Agent for any such payment.

**5 UNDERTAKINGS, REPRESENTATIONS AND WARRANTIES**

- 5.1 Article V (Representations and Warranties) of the Credit Agreement shall apply to this Deed as if it has been set out in full herein mutatis mutandis so that references to "this Agreement" shall be construed as references to "this Deed".
- 5.2 Each Chargor represents and warrants to each Secured Party that the descriptions of the assets set out in the Schedule, constitute complete and accurate descriptions of all of the relevant Secured Assets in which it has an interest as at the date of this Deed.

**6 GENERAL UNDERTAKINGS**

- 6.1 The undertakings contained in this Clause 6 and elsewhere in this Deed remain in force from the date of this Deed until the Discharge Date.

**Security**

- 6.2 The Chargor shall not create or permit to subsist any Security over all or part of the Secured Assets other than pursuant to this Deed or as permitted by the Loan Documents.

**7 SHARE REPRESENTATIONS AND WARRANTIES**

- 7.1 The Chargor represents and warrants to each Secured Party that:
- 7.1.1 its Shares represent, the entire issued share capital of the Chargor;
  - 7.1.2 the relevant Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right;
  - 7.1.3 it has not issued and does not intend to issue any PSC Notice under Schedule 1B of the Companies Act 2006 in respect of any Shares that are charged pursuant to this Deed; and
  - 7.1.4 it has not received any PSC Notice under Schedule 1B of the Companies Act 2006 in respect of any shares that are charged pursuant to this Deed to which it has not complied with or which has not been withdrawn.

**8 LIABILITY OF THE SECURITY AGENT**

**Liability**

- 8.1 Neither the Security Agent, any receiver nor any of their respective Delegates and sub-delegates, (whether as mortgagee in possession or otherwise) shall either by reason of:
- 8.1.1 taking possession of or realising all or any part of the Secured Assets; or

8.1.2 taking any action permitted by this Deed,

be liable to the Chargor or any other person for any costs, losses or liabilities relating to any of the Secured Assets or for any act, default, omission or misconduct of the Security Agent, any receiver or their respective Delegates and sub-delegates in relation to the Secured Assets or otherwise.

#### **Exoneration**

8.2 Neither the Security Agent, any receiver nor any of their respective Delegates and sub-delegates shall have any duty:

8.2.1 to perform the Chargor's obligations or exercise any rights in relation to any Secured Asset;

8.2.2 to ensure that any Related Rights are made available or to verify that the correct amount has been received in relation to any Related Right;

8.2.3 to take up any offer in relation to any Secured Assets;

8.2.4 to give any notification to anyone in relation to any Secured Asset; or

8.2.5 to take any action to enforce any other person's obligations as regards any Secured Asset.

### **9 PROTECTION OF THIRD PARTIES**

9.1 No purchaser or other person dealing with the Security Agent or a receiver shall be bound to enquire:

9.1.1 whether the Secured Liabilities have become payable;

9.1.2 whether any power which the Security Agent or a receiver is purporting to exercise has become exercisable or is being properly exercised;

9.1.3 whether any money remains due under the Loan Documents; or

9.1.4 how any money paid to the Security Agent or to that receiver is to be applied.

9.2 The receipt of the Security Agent or any receiver shall be conclusive discharge to any purchaser and, in making any sale or disposal of any of the Secured Assets or making any acquisition, the Security Agent or any receiver may do for such consideration, in such manner and on such terms as it thinks fit.

## **10 RELEASE OF SECURITY**

10.1 Upon the occurrence of the Discharge Date, or a release pursuant to Sections 9.11(a) (Collateral and Guaranty Matters), 9.11(c) (Collateral and Guaranty Matters) or 11.10 (Release of Guarantors) of the Credit Agreement, the Security Agent shall, at the request and cost of the Chargor, take all steps necessary to release and cancel the security constituted by this Deed and procure the reassignment to that Chargor of the property and assets assigned to the Security Agent pursuant to this Deed, in each case without recourse to, or any representation or warranty by, Security Agent or any of its Delegates.

10.2 If any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Deed and the Security created by that document will continue and such amount will not be considered to have been irrevocably paid or credited.

## **11 ENFORCEMENT**

11.1 At any time on or after the occurrence of an Enforcement Event, the Security Agent shall be entitled, without any consent, notice or further notice, from or to the Chargor or any other person, either in its own name or in the name of the Chargor or otherwise and in such manner and upon such terms and conditions as the Security Agent thinks fit:

### **11.1.1 Deal with Secured Assets**

to sell, transfer, assign, exchange and otherwise dispose of or realise the Secured Assets either by public offer or auction, tender or private contract and for such consideration and on such other terms and conditions as the Security Agent shall in its absolute discretion determine and so that the Security Agent may (without limitation) do any of these things for a consideration consisting of cash, debentures, or other obligations or other valuable consideration of any kind and any such consideration may be payable or delivered in a lump sum or by instalments spread over such period as it may think fit and shall be applied by the Security Agent to reduce the Secured Liabilities;

### **11.1.2 Rights of Ownership**

to exercise and do (or permit the Chargor to exercise and do) all such rights and things as the Security Agent would be entitled to exercise and do if it were the absolute owner of the Secured Assets and the registered holder of the Shares;

### **11.1.3 Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions or demands with or by any person relating in any way to the Secured Assets;

#### **11.1.4 Legal Actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Secured Assets;

#### **11.1.5 Redemption of Security**

to redeem any Security (whether or not having priority to this Charge) over the Secured Assets and to settle the accounts of the holders of any prior security;

#### **11.1.6 Other Powers**

to do all such other acts and things as it may, acting bona fide, consider necessary or expedient for the realisation of the Secured Assets or incidental to the exercise of any of the rights conferred on the Security Agent under or by virtue of this Deed and to concur in the doing of anything which the Chargor has the right to do and to do any such thing jointly with any other person.

### **11.2 Right of Appropriation**

11.2.1 To the extent that any of the Secured Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Security Agent shall, upon the Security created by this Deed becoming enforceable and to the extent permitted by the Regulations, have the right to appropriate all or any part of those Secured Assets in or towards the discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Security Agent may in its absolute discretion determine.

11.2.2 The Parties agree that the value of any Secured Asset appropriated in accordance with Clause 11.2.1 above shall be:

- (a) in the case of cash denominated in the currency of denomination of the Secured Liabilities, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation;
- (b) in the case of any other cash, the amount of the currency of denomination of the Secured Liabilities that the Security Agent could purchase with the amount of such cash (plus any accrued but unposted interest attributable to such cash) on the date of appropriation at its spot rate of exchange for such purchase in the London foreign market at or about 11:00 a.m. on that date; or
- (c) in the case of Shares, shall be the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, or as determined by independent valuation or by such other method as the Security Agent may reasonably select.

- 11.3 The Parties agree that the method of valuation provided for in this Clause 11 is commercially reasonable for the purposes of the Regulations.

**12 APPLICATION OF ENFORCEMENT PROCEEDS**

- 12.1 Unless otherwise determined by the Security Agent or a receiver, all amounts received or recovered by the Security Agent or any receiver in exercise of their rights under this Deed will, subject to the rights of any creditors having priority, be applied in the order provided in Clause 13 (Order of application). This Clause 12 does not prejudice the right of any Secured Party to recover any shortfall from the Chargor.

**13 ORDER OF APPLICATION**

- 13.1 The order referred to in Clause 12 (Application of Enforcement Proceeds) is the order set forth in Section 8.04 (Application of Funds) of the Credit Agreement.
- 13.2 Nothing contained in this Deed shall limit the right of the Security Agent (and the Chargor acknowledges that the Security Agent is so entitled) if and for so long as the Security Agent, in their discretion, shall consider it appropriate, to place all or any monies arising from the enforcement of the security interest hereby granted or any security created pursuant to this Deed into a suspense account, without any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Liabilities.

**14 PROTECTION OF SECURITY**

**Continuing Security**

- 14.1 Subject to Clause 10 (Release of Security) of this Deed and Section 9.11 (Collateral and Guaranty Matters) of the Credit Agreement, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not otherwise be released before then by any intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.
- 14.2 No part of the Security from time to time intended to be created by this Deed will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

**Cumulative rights**

- 14.3 The Security created by or pursuant to this Deed and the rights, powers and remedies of the Security Agent under this Deed shall be cumulative and shall be in addition to and independent of every other Security, right, power or remedy which the Security Agent or any Secured Party may at any time have in connection with the Secured Liabilities, including all rights, powers and remedies provided by law, and accordingly, the Security Agent shall not be obliged before exercising any such rights, powers or remedies:



- 14.3.1 to make any demand of, or take any action or obtain any judgment in any court against the Chargor;
- 14.3.2 to make or file any claim or proof in winding-up or dissolution of the Chargor; or
- 14.3.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

**No merger of Security**

- 14.4 No prior Security held by the Security Agent (whether in its capacity as trustee or otherwise) or any other Secured Party over the whole or any other part of the Secured Asset shall merge into the Security constituted by this Deed.

**No prejudice**

- 14.5 The Security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security created by or pursuant to this Deed or by any other thing which might otherwise prejudice that Security.

**Remedies and waivers**

- 14.6 No election to affirm this Deed on the part of the Security Agent shall be effective unless in writing.

**Partial invalidity**

- 14.7 If any part of the Security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

**Waiver of defences**

- 14.8 The obligations of, and the Security created by the Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under, or the Security created by, this Deed and whether or not known to the Chargor or any Secured Party including:
  - 14.8.1 any time, waiver or consent granted or agreed to be granted to, or composition with, the Chargor or any other person;
  - 14.8.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor;

- 14.8.3 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 Chargor 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;
- 14.8.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- 14.8.5 any amendment, novation, supplement, extension (whether at maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not onerous) or replacement of a Loan Document or any other document or Security or of the Secured Liabilities (including any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Loan Document or other documents);
- 14.8.6 any unenforceability, illegality or invalidity of any obligation of any person under any Loan Document or any other document or security or of the Secured Liabilities; or
- 14.8.7 any insolvency or similar proceedings relating to the Chargor or any other person.

**Chargor intent**

- 14.9 Without prejudice to the generality of Clause 14.8 (Waiver of defences), the Chargor expressly confirms that it intends that the security created by it under this Deed shall extend from time to time to any variation, increase, extension or addition (in each case however fundamental and of whatsoever nature, and whether or not onerous) of or to any of the Loan Documents and/or any facility or amount made available under any of the Loan Documents for the purposes of or in connection with any of the following:
  - 14.9.1 acquisitions of any nature;
  - 14.9.2 increasing working capital;
  - 14.9.3 enabling investor distributions to be made;
  - 14.9.4 carrying out restructurings;
  - 14.9.5 refinancing existing facilities or any other indebtedness of any Loan Party of entity that is due to become a Loan Party;
  - 14.9.6 making facilities available to new borrowers;

14.9.7 any other variation or extension of the purposes for which any such facility or amount may be available from time to time; and

14.9.8 any fees, costs and/or expenses associated with any of the foregoing.

**Immediate recourse**

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

**Appropriations**

14.11 Until the occurrence of the Discharge Date, any Secured Party (or any trustee or agent on its behalf) may refrain from applying or enforcing any other monies, Security or rights held or received by it in relation to the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities, or otherwise) and hold in an interest bearing suspense account any money received from the Chargor on account of the Secured Liabilities.

**Non-competition**

14.12 Until the occurrence of the Discharge Date or unless the prior written consent of the Security Agent is obtained, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

14.12.1 to be indemnified by any person;

14.12.2 to claim any contribution from any other provider of Security or any guarantor of the Secured Liabilities;

14.12.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Secured Party's rights under the Loan Documents or of any other guarantee, indemnity or Security taken pursuant to, or in connection with, the Secured Liabilities by any Secured Party;

14.12.4 to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under any Loan Document;

14.12.5 to exercise any right of set-off; and/or

14.12.6 to claim rank, prove or vote as a creditor of the Chargor or its estate in competition with any Secured Party.

- 14.13 If the Chargor receives any benefit, payment or distribution contrary to the terms of this Clause 14, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Security Agent in connection with the Secured Liabilities to be repaid in full) on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or to the Security Agent's nominee.

## 15 FURTHER ASSURANCE

- 15.1 The Chargor shall promptly, at its own cost, do whatever the Security Agent reasonably requires in connection with paragraphs (b) through (f) of Section 3.03 (Covenants) of the US Security Agreement which, for the avoidance of doubt includes, but is not limited to, the following:

- 15.1.1 to create, perfect and/or protect the Security created or intended be created by this Deed;
- 15.1.2 following an Enforcement Event, to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;
- 15.1.3 to facilitate the exercise of any rights, powers and remedies vested in the Security Agent (or their respective Delegates) by this Deed and/or by the law; and/or
- 15.1.4 following an Enforcement Event to facilitate the realisation of the Secured Assets.

- 15.2 In order to satisfy its obligations under Clause 15.1 above, the Chargor shall promptly, upon the reasonable written request of the Security Agent, execute any fixed security, floating charge, assignment, security, transfer, disposition or assurance over all or any of the assets constituting, or intended to constitute, the Secured Assets (whether in favour of the Security Agent or its nominee or otherwise) and make any registration or notarisation and give any notice, instructions, order or direction in respect of the Secured Assets.

## 16 MANDATE AND ATTORNEY

- 16.1 The Chargor, for the performance of its obligations under this Deed, irrevocably appoints the Security Agent and its respective Delegates and sub delegates to be its mandatary and attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to, following an Enforcement Event which is continuing:

- 16.1.1 execute, deliver and perfect all other documents, deeds and agreements and do all such things which the attorney may consider to be required or desirable for:
  - (a) carrying out any obligation imposed on the Chargor by this Deed or any agreement binding on the Chargor to which the Security Agent is a party (including the execution and delivery of any charges, assignments or other security and any transfers of the Secured Assets and perfecting and/or

releasing the Security created or intended to be created in respect of the Secured Assets); and

- (b) enabling the Security Agent to exercise any of the rights, powers and authorities conferred on them pursuant to this Deed or by law (including, after the Security constituted by this Deed has become enforceable in accordance with Clause 11 (Enforcement), the exercise of any right of a owner of the Secured Assets or any part of the Secured Assets).

- 16.2 The Chargor shall ratify and confirm all things done and all documents executed by any mandatary and attorney in the exercise or purported exercise of all or any of his powers.

## **17 DELEGATION AND DISCRETION**

### **Delegation**

- 17.1 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 conferred and are exercisable by it under this Deed to any person or persons on such terms and conditions as it sees fit.
- 17.2 No such delegation pursuant to this Clause 17 (Delegation and Discretion) shall preclude either the subsequent exercise of such power, authority or discretion by the Security Agent itself or any subsequent delegation or revocation of such power, authority or discretion.
- 17.3 The Security Agent will not have any liability to the Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by the Delegate.

### **Discretion**

- 17.4 Any right or power which may be exercised or any determination which may be made under this Deed by the Security Agent or any receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

## **18 CURRENCY**

### **Relevant Currency**

- 18.1 The Chargor is obliged under this Deed to discharge its Secured Liabilities in the Relevant Currency.

### **Receipt in wrong currency**

- 18.2 If at any time the Security Agent receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then:

18.2.1 that payment will take effect as a payment to the Security Agent of the amount in the Relevant Currency which the Security Agent is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at its spot rate of exchange for such purchase in the London foreign exchange market at or about 11:00 a.m. on that date; and

18.2.2 if such payment is treated pursuant to Clause 18.2.1 above as a payment of an amount which falls short of the relevant liability of the Chargor expressed in the Relevant Currency, the Chargor as a separate and independent obligation will on demand from time to time indemnify the Security Agent against such shortfall.

## **19 ASSIGNATION BY THE SECURITY AGENT**

19.1 To the extent permitted under Section 9.09 (Successor Agents) of the Credit Agreement, the Chargor consents to the assignation and/or transfer by the Security Agent of any one or more of its rights and/or obligations under this Deed.

19.2 The Chargor may not assign or transfer any one or more of its rights and/or obligations under this Deed without the prior written consent of the Security Agent.

19.3 The Security Agent shall be entitled to disclose such information concerning the Chargor and this Deed as it considers appropriate to:

- (a) any Delegate;
- (b) any person proposing to take an assignation and/or transfer from the Security Agent in accordance with the terms of the Credit Agreement; and
- (d) any person to whom information may be required to be disclosed by an applicable law.

## **20 NOTICES**

### **Communications in writing**

20.1 Any communication to be made under or in connection with this Instrument shall be made in writing (including by facsimile transmission or email) and made in accordance with Section 10.02 of the Credit Agreement except that all such written notices shall be mailed, faxed, emailed or delivered to the applicable address, facsimile number or electronic mail address specified in Clause 20.2.

### **Addresses**

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

20.2.1 in the case of the Security Agent, that identified by its name below; and

20.2.2 in the case of the Chargor that notified in writing to the Security Agent on or prior to the date on which it became a party

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Agent (or the Security Agent may notify to the Chargor, if a change is made by the Security Agent) by not less than five Business Days' notice.

#### **English language**

20.3 Any notice given under or in connection with this Deed must be in English.

20.4 All other documents provided under or in connection with this Deed must be:

20.4.1 in English; or

20.4.2 if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### **21. GOVERNING LAW AND JURISDICTION**

This Deed and any non-contractual obligation arising out of or in connection with it are governed by Scots law.

#### **Jurisdiction of Scottish courts**

21.1 The Scottish courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

21.2 The Parties agree that the Scottish courts are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

21.3 This Clause 21 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

### **22. CONSENT TO REGISTRATION**

22.1 A certificate or determination by the Security Agent or a receiver of a rate or an amount under this Instrument is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22.2 The Chargor hereby consents to the registration of this Instrument and of any such certificate for preservation: IN WITNESS WHEREOF these presents consisting of this, the preceding 19 pages and the Schedule annexed hereto are executed in counterpart as follows and DELIVERED on 19 NOVEMBER 2019:

**THE CHARGOR**

SUBSCRIBED for and on behalf of the said FR FLOW CONTROL VALVES BIDCO LIMITED

at LONDON

on 7/11/19

by

KEREM CAN YILMAZ

Print Full name

Director

before this witness:

RUNA BEGUM

Print Full Name

Witness

Address: 7th Floor 25

Victoria St, London

SW1H 0EX

**Notice details**

Address: 7th Floor, 25 Victoria Street, London SW1H 0EX

Fax: N/A

Attention: Runa Begum



THE SECURITY AGENT

SUBSCRIBED for and on behalf of the said BNP PARIBAS

at New York,

on November 15, 2019

by

YONG WU

Print Full name:

Authorised Signatory

Kwang Kyun Choi

Print Full name:

Authorised Signatory

All before this witness:

YU QIAO LIN

Print Full Name

Witness

Address:

787 7<sup>th</sup> St.

New York, NY 10019

Notice details

Address:

787 7<sup>th</sup> St, New York, NY 10019

Fax:

Attention:

YU QIAO LIN

This is the Schedule referred to in the foregoing deed of pledge between FR Flow Control Valves Bidco Limited and BNP Paribas dated 19 NOVEMBER 2019

#### **SCHEDULE**

##### **SHARES IN THE CAPITAL OF THE COMPANY**

Shareholder	Number of fully paid Shares of £1 each
FR Flow Control Valves Bidco Limited	802