



Registration of a Charge

Company Name: **UNIVERSAL INSPECTION SYSTEMS LIMITED**

Company Number: **SC125587**



Received for filing in Electronic Format on the: **06/09/2022**

XBC09APM

Details of Charge

Date of creation: **19/08/2022**

Charge code: **SC12 5587 0002**

Persons entitled: **ALTER DOMUS (US) LLC (AS AGENT)**

Brief description:

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **SHEPHERD AND WEDDERBURN LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 125587

Charge code: SC12 5587 0002

The Registrar of Companies for Scotland hereby certifies that a charge dated 19th August 2022 and created by UNIVERSAL INSPECTION SYSTEMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th September 2022 .

Given at Companies House, Edinburgh on 7th September 2022

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**



SHEPHERD+ WEDDERBURN

Execution Version

Bond and Floating Charge

by

UNIVERSAL INSPECTION SYSTEMS LIMITED

in favour of

ALTER DOMUS (US) LLC as administrative agent, collateral agent and security trustee

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THIS BOND AND FLOATING CHARGE is made by:

- (1) **UNIVERSAL INSPECTION SYSTEMS LIMITED**, a company incorporated in Scotland with Company number SC125587 and having its registered office at C/O Cms Cameron McKenna Nabarro Olswang LLP, 6 Queens Road, Aberdeen, Scotland, Scotland, AB15 4ZT (the "**Chargor**");

in favour of:

- (2) **ALTER DOMUS (US) LLC**, a Delaware limited liability company (Company Number 4700480) and having its registered office at Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, DE 19808 (its principal address at 225 W. Washington St., 9th Floor, Chicago, IL 60606), in its capacities as administrative agent for the Lenders and collateral agent and security trustee for the Secured Parties under and in terms of the Credit Agreement (in such capacities, the "**Agent**").

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

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

- 1.1.2 at all times the following terms have the following meanings:

"**Credit Agreement**" means the New York law governed credit agreement dated on or around the effective date of this Deed between, among others, (1) PTL UK Bidco Limited as Holdings, (2) the Chargor as the Company, (3) PTL US Bidco, Inc., as the Borrower, (4) Main Street Capital Corporation, MSIF Funding, LLC and MS Private Loan Fund I, LP as Lenders, and (5) the Agent;

"**Deed**" means this bond and floating charge;

"**Default Rate**" means the rate of interest determined in accordance with Section 2.07(b) (*Interest*) of the Credit Agreement;

"**Delegate**" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Agent or by a Receiver;

"**Guarantee Agreement**" means the New York law governed guarantee agreement dated on or around the effective date of this Deed between, among others, (1) the Chargor as a Guarantor, (2) the other Guarantors party thereto, and (3) and the Agent;

"**Party**" means a party to this Deed;

"**Real Property**" means all estates and interests in heritable, long lease and other immovable property (wherever situated) now or in future belonging to the Chargor, or in which the Chargor has an interest at any time, together with:

- (i) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (ii) all servitudes, burdens, title conditions, rights and agreements in respect thereof; and
- (iii) the benefit of all covenants given in respect thereof;

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Agent under this Deed;

"**Secured Obligations**" has the meaning given to the term "Guaranteed Obligations" in the Guarantee Agreement;

"Secured Parties" means each "Secured Party" as defined in the Credit Agreement, and each Receiver and/or Delegate;

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

"Security Agreement" means the English law debenture dated on or around the effective date of this Deed between, among others, the Chargor and the Agent;

"Security Assets" means all property and assets from time to time charged (or expressed to be charged) by or pursuant to this Deed; and

"Security Period" means the period beginning on the effective date of this Deed and ending on the date on which:

- (i) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (ii) no Secured Party has any further commitment, obligation or liability under or pursuant to the Loan Documents.

Interpretation

- 1.1.3 Unless a contrary indication appears, in this Deed the provisions of Section 1.02 (*Other Interpretive Provisions*) of the Credit Agreement apply to this Deed as though they were set out in full in this Deed, except that references to "this Agreement" will be construed as references to this Deed.
- 1.1.4 Unless a contrary indication appears, any reference in this Deed to:
 - (i) the "Chargor", the "Agent" or any other "Secured Party" or any other person shall be construed so as to include its successors in title, permitted assignees and permitted transferees and, in the case of the Agent, any person for the time being appointed as administrative agent, collateral agent and/or security trustee in accordance with the Loan Documents;
 - (ii) "this Deed", the "Credit Agreement" any other "Loan Document" or any other agreement or instrument is a reference to this Deed, the Credit Agreement, that other Loan Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any Loan Party or provides for further advances);
 - (iii) "Secured Obligations" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Loan Party; and
 - (iv) "heritable" or "long lease" property means any interest in land or property which is registrable, or which is capable of registration, in the Land Register of Scotland or General Register of Sasines.
- 1.1.5 Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Agent and each other Secured Party.
- 1.1.6 If the Agent considers that an amount paid by any Loan Party to a Secured Party under a Loan Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Loan Party, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.1.7 Any reference to the security constituted by this Deed becoming "enforceable" shall mean that the floating charge created under this Deed has become enforceable under Clause 10 (*When Security Becomes Enforceable*).

1.2 **Inconsistency between this Deed and the Credit Agreement**

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Credit Agreement, the provisions of the Credit Agreement shall prevail.

1.3 **Third party rights**

1.3.1 Save as expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or enjoy the benefit of any term of this Deed.

1.3.2 Notwithstanding any term of any Loan Document, the consent of any person who is not a party is not required to vary, rescind or terminate this Deed at any time.

2. **UNDERTAKING TO PAY**

2.1 **Undertaking to pay**

2.1.1 The Chargor, as principal obligor and not merely as surety or guarantor undertakes to the Agent that it will pay and discharge the Secured Obligations from time to time when they fall due.

2.1.2 Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Loan Document under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the undertaking contained in Clause 2.1.1.

2.2 **Default interest**

Any amount which is not paid under this Deed when due shall bear interest on a daily basis (both before and after judgment and payable on demand) at the Default Rate from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full.

3. **GRANT OF SECURITY**

3.1 **Agent as security trustee**

All security created pursuant hereto shall be held on trust by the Agent for the Secured Parties under and in terms of the Credit Agreement.

3.2 **Nature of security**

All Security created or made by or pursuant to this Deed is created or made:

3.2.1 in favour of the Agent (as security trustee for the Secured Parties); and

3.2.2 as continuing security for payment of the Secured Obligations.

3.3 **Qualifying floating charge**

Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or pursuant to this Deed (and such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. **FLOATING CHARGE**

The Chargor hereby grants in favour of the Agent for itself and as security trustee for the Secured Parties a floating charge over all of its present and future assets and undertaking (wherever located).

5. CONTINUING SECURITY

5.1 Continuing security

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

5.2 Additional and separate security

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

5.3 Right to enforce

This Deed may be enforced against the Chargor without the Agent and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

6. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

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

7. REPRESENTATIONS

7.1 General

The Chargor makes the representations and warranties set out in this Clause 7 to the Agent and to each other Secured Party on the effective date of this Deed and the Closing Date (and in the case of the representations and warranties in Clause 7.2 (*Credit Agreement*) on the date of any Credit Extension).

7.2 Credit Agreement

All representations and warranties set forth in Article VII of the Credit Agreement which relate to or are contemplated to be made by the Chargor, are hereby incorporated herein by reference, *mutatis mutandis*, and are true and correct in all material respects as of the effective date of this Deed and on each date on which such representations and warranties are made or deemed to be made pursuant to the Credit Agreement (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date); provided that any representation or warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects on such respective dates, and each Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

7.3 Security Assets

The Chargor is the sole legal and beneficial owner of all of the Security Assets and has good and valid rights in the Security Assets free from all Security and any claims, third party rights or competing interests except for Permitted Liens.

7.4 Binding Obligations

- 7.4.1 The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.
- 7.4.2 Without limiting the generality of paragraph 7.4.1 above, this Deed creates the security interests which it purports to create and those security interests are valid and effective and have or will have upon completion of any required perfection steps within the time periods set forth herein and in the other Loan Documents (including pursuant to Section 8.18 (*Post-Closing Covenants*) of the Credit Agreement) and as prescribed by Applicable Law, first ranking priority (subject only to Permitted Liens, to the extent that any such Permitted Liens would have priority over the security interests created under this Deed under Applicable Law).

7.5 Power and authority

The Chargor has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.

8. UNDERTAKINGS BY THE CHARGOR

8.1 Credit Agreement

The Chargor hereby agrees and covenants:

- 8.1.1 to do each of the things set forth in the Credit Agreement that a Loan Party agrees and covenants to do and/or that a Loan Party agrees and covenants to cause its Subsidiaries and/or the Chargor to do; and
- 8.1.2 not to do each of the things set forth in the Credit Agreement that a Loan Party agrees and covenants not to do and/or that a Loan Party agrees and covenants to cause its Subsidiaries and/or the Chargor not to do,

in each case, as applicable to the Chargor and as fully as though the Chargor was a party thereto, and such agreements and covenants are incorporated herein by this reference, *mutatis mutandis*.

8.2 Negative pledge and Disposals

Except as expressly permitted by the Credit Agreement, the Chargor shall not, during the Security Period, do or agree to do any of the following without the prior written consent of the Agent:

- 8.2.1 create or permit to subsist any Security on any Security Asset other than as created by this Deed or which constitutes a Permitted Lien; or
- 8.2.2 sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset.

8.3 Security Assets generally

The Chargor shall, during the Security Period:

- 8.3.1 promptly pay all rates, rents and other outgoings owed by it in respect of the Security Assets;
- 8.3.2 promptly comply with:
- (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any authorisation;
 - (ii) all covenants, undertakings and obligations affecting the Security Assets (or their manner of use),
- where failure to do so has or is reasonably likely to have a Material Adverse Effect;
- 8.3.3 not do, cause or permit to be done anything which would, jeopardise or otherwise prejudice the value of any Security Asset (or make any omission which has such an effect) except to the extent permitted under the Credit Agreement;

- 8.3.4 not, except with the prior written consent of the Agent (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any Security Assets except as expressly permitted by the Credit Agreement; and
 - 8.3.5 enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets as the Agent may reasonably require.
- 8.4 Real Property undertakings - acquisitions**
- 8.4.1 The Chargor shall notify the Agent promptly upon the acquisition of any estate or interest in any heritable or long lease property.
 - 8.4.2 The Chargor shall, at the request of the Agent, grant a standard security over any Real Property which is acquired by it after the date of this Deed and which is required by the terms the Credit Agreement.
- 8.5 Preservation of assets**
- The Chargor will do and perform all reasonable acts that may be necessary or appropriate to maintain, preserve and protect the Security Assets in all material respects. The Chargor will comply in all material respects with all laws, regulations and ordinances, all policies of insurance, and all agreements to which it is a party or by which it is bound, in each case, relating in any material way to the possession, operation, maintenance and control of the Security Assets.
- 8.6 Chargor's obligations upon an Event of Default**
- Upon the request of the Agent following the occurrence of an Event of Default which is continuing, the Chargor will:
- 8.6.1 assemble and make available to the Agent the Security Assets and all books and records relating thereto at any place or places reasonably specified by the Agent, whether at the Chargor's premises or elsewhere; and
 - 8.6.2 permit the Agent and the Lenders, or Agent's and/or Lender's representatives and agents, to enter, occupy and use any premises where all or any part of the Security Assets, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Security Assets or the books and records relating thereto, or both, to remove all or any part of the Security Assets or the books and records relating thereto, or both, and to conduct sales of the Security Assets, without any obligation to pay the Chargor for such use and occupancy.

9. POWER TO REMEDY

9.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Agent (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Agent and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

9.2 Security holder in possession

The exercise of the powers of the Agent under this Clause 9 shall not render it, or any other Secured Party, liable as a security holder or creditor in possession.

9.3 Monies expended

The Chargor shall pay to the Agent on demand any monies which are expended by the Agent in exercising its powers under this Clause 9, together with interest at the Default Rate from the date on which those monies were expended by the Agent (both before and after judgment) and otherwise in accordance with Clause 2.2 (*Default interest*).

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 When enforceable

The floating charge created pursuant to this Deed shall become immediately enforceable upon and at any time after the occurrence of an Event of Default which is continuing.

10.2 Enforcement

After the floating charge created pursuant to this Deed has become enforceable, the Agent may in its absolute discretion enforce all or any part of the floating charge created pursuant to this Deed in such manner as it sees fit.

11. ENFORCEMENT OF SECURITY

11.1 Powers of Agent

11.1.1 At any time after the floating charge created pursuant to this Deed becomes enforceable (or if so requested by the Chargor by written notice at any time), the Agent may without further notice (unless required by law):

- (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor.

11.1.2 The Agent is not entitled to appoint a Receiver in respect of any Security Assets of the Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under Part A1 of the Insolvency Act 1986 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

11.2 Redemption of prior Security

11.2.1 At any time after the floating charge created pursuant to this Deed has become enforceable, the Agent may:

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

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

11.3 Privileges

11.3.1 To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Agent shall have the right after the floating charge created pursuant to this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.

11.3.2 For the purpose of Clause 11.3.1, the value of the financial collateral appropriated shall be such amount as the Receiver or Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

11.4 No liability

- 11.4.1 Neither the Agent, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence, fraud or wilful misconduct, as determined by a court of competent jurisdiction in a final or non-appealable judgment).
- 11.4.2 Without prejudice to the generality of Clause 11.4.1, neither the Agent, any other Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as security holder in possession or for any loss on realisation or for any default or omission for which a security holder in possession might be liable.

11.5 Protection of third parties

No person (including a purchaser) dealing with the Agent or any Receiver or Delegate will be concerned to enquire:

- 11.5.1 whether the Secured Obligations have become payable;
- 11.5.2 whether any power which the Agent or the Receiver is purporting to exercise has become exercisable;
- 11.5.3 whether any money remains due under any Loan Document; or
- 11.5.4 how any money paid to the Agent or to the Receiver is to be applied.

12. RECEIVER

12.1 Removal and replacement

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

12.2 Multiple Receivers

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

12.3 Remuneration

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

12.4 Payment by Receiver

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

12.5 Agent of the Chargor

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

13. POWERS OF RECEIVER

13.1 General powers

Any Receiver shall have:

- 13.1.1 all the powers which are conferred on the Agent by Clause 13.2 (*Powers of Agent*);
- 13.1.2 (whether or not he is an administrative receiver) all the powers which are listed in Schedule 1 or (as applicable) Schedule 2 of the Insolvency Act 1986; and
- 13.1.3 all powers which are conferred by any other law conferring power on receivers.

13.2 Additional powers

In addition to the powers referred to in Clause 13.1 (*General powers*), a Receiver shall have the following powers:

- 13.2.1 to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- 13.2.2 to manage the Security Assets and the business of the Chargor as he thinks fit;
- 13.2.3 to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 13.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed and, without limitation;
 - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Chargor;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- 13.2.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- 13.2.6 to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- 13.2.7 to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- 13.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 13.2.9 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Agent shall direct);
- 13.2.10 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- 13.2.11 to form one or more Subsidiaries of the Chargor and to transfer to any such Subsidiary all or any part of the Security Assets;

13.2.12 to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and

13.2.13 to:

- (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
- (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
- (iii) use the name of the Chargor for any of the above purposes.

14. APPLICATION OF PROCEEDS

14.1 Application

All monies received by the Agent or any Receiver after the floating charge created pursuant to this Deed has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the floating charge created pursuant to this Deed) be applied in accordance with Section 5.02(e) (*Application of Collateral Proceeds*) of the Credit Agreement.

14.2 Contingencies

If the floating charge created pursuant to this Deed is enforced at a time when no amounts are due under the Loan Documents (but at a time when amounts may become so due), the Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Agent considers appropriate).

14.3 Appropriation and suspense account

- 14.3.1 Subject to Clause 14.1 (*Application*), the Agent shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- 14.3.2 Any such appropriation shall override any appropriation by the Chargor.
- 14.3.3 All monies received, recovered or realised by the Agent under or in connection with this Deed may at the discretion of the Agent be credited to a separate interest-bearing suspense account for so long as the Agent determines with interest accruing thereon at such rate (if any) as the Agent considers appropriate without the Agent having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would be sufficient to discharge all Secured Obligations in full.

15. SET-OFF

15.1 Set-off rights

- 15.1.1 At any time after the floating charge created pursuant to this Deed has become enforceable, the Agent and each other Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid (whether under the Loan Documents or which has been assigned to the Agent or such other Secured Party by any other Obligor) against any obligation (whether or not matured) owed by the Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- 15.1.2 At any time after the floating charge created pursuant to this Deed has become enforceable (and in addition to its rights under Clause 15.1.1, the Agent and each other Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under any Loan Document against any obligation (whether or not matured) owed by the Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

- 15.1.3 If the obligations are in different currencies, the Agent or such other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- 15.1.4 If either obligation is unliquidated or unascertained, the Agent or such other Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

15.2 Time deposits

Without prejudice to Clause 15.1 (*Set-off rights*), if any time deposit matures on any account which the Chargor has with the Agent or any other Secured Party at a time within the Security Period when:

- 15.2.1 the floating charge created pursuant to this Deed has become enforceable; and
- 15.2.2 no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Agent or such other Secured Party in its absolute discretion considers appropriate unless the Agent or such other Secured Party otherwise agrees in writing.

16. DELEGATION

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

17. FURTHER ASSURANCES

17.1 Further action

The Chargor shall at its own expense, promptly do all such acts and execute all such documents (including assignments, assignments, transfers, mortgages, standard securities, charges, notices and instructions) as the Agent or a Receiver may reasonably specify (and in such form as the Agent or a Receiver may reasonably require) in favour of the Agent, a Receiver or its nominees in order to:

- 17.1.1 create, perfect, protect and/or maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies exercisable by the Agent, any other Secured Party or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to this Deed or by law; and/or
- 17.1.2 confer on the Agent, any Receiver or the Secured Parties, Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
- 17.1.3 after the floating charge created pursuant to this Deed has become enforceable, facilitate the realisation of the assets which are, or are intended to be, the subject of the floating charge created pursuant to this Deed.

17.2 Loan Documents

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

18. POWER OF ATTORNEY

- 18.1 The Chargor, by way of security, irrevocably and severally appoints the Agent, each Receiver and any Delegate to be its attorney to take any action if an Event of Default has occurred and is continuing which the Chargor is obliged to take under this Deed and/or to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Deed, including under Clause 17 (*Further assurances*).
- 18.2 The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

19. CURRENCY CONVERSION

All monies received or held by the Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Agent or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency using market based spot rates of exchange for the purchase of the relevant currency in the London foreign exchange market on the relevant day. The Chargor shall indemnify the Agent against all costs, charges and expenses incurred in relation to such conversion. Neither the Agent nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion. For the avoidance of doubt, the Agent shall have no obligation to convert any monies received or held by the Agent.

20. CHANGES TO THE PARTIES

20.1 Chargor

The Chargor may not assign any of its rights or obligations under this Deed.

20.2 Agent

The Agent may assign or transfer all or any part of its rights under this Deed pursuant to the resignation or removal of the Agent in accordance with the Credit Agreement. Subject to the provisions of the Credit Agreement, the Chargor shall, immediately upon being requested to do so by the Agent, enter into such documents as may be necessary or desirable to effect such assignation or transfer.

21. MISCELLANEOUS

21.1 New accounts

21.1.1 If the Agent or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Lien) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Loan Documents ceases to continue in force, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.

21.1.2 As from that time all payments made to the Agent or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

21.2 Further Advances

21.2.1 Each Secured Party shall perform its obligations under the Credit Agreement (including any obligation to make available further advances).

21.2.2 This Deed secures advances already made under the Loan Documents as at the effective date of this Deed and further advances to be made.

21.3 Protective clauses

- 21.3.1 The Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of the Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by any Secured Party which would otherwise have reduced, released or prejudiced the floating charge created pursuant to this Deed or any surety or guarantee liability of the Chargor (whether or not known to it or to any Secured Party).
- 21.3.2 Section 2 (*Guarantee*) of the Guarantee Agreement applies in relation to this Deed as if references to the obligations referred to in such clauses respectively were references to the obligations of the Chargor under this Deed.

22. NOTICES

22.1 Credit Agreement

- 22.1.1 Section 12.02 (*Notices and other communications*) of the Credit Agreement is incorporated into this Deed as if fully set out in this Deed; and
- 22.1.2 the address and email address of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Credit Agreement or this Deed.

23. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Party or the Agent specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

24. PARTIAL INVALIDITY

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

25. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Agent (or any other Secured Party), any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

26. AMENDMENTS AND WAIVERS

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

27. COUNTERPARTS, DELIVERY AND EFFECTIVE DATE

- 27.1 This Deed may be executed in any number of counterparts and by each of the parties on separate counterparts.
- 27.2 Where executed in counterparts:
- 27.2.1 this Deed will not take effect until each of the counterparts has been delivered;
 - 27.2.2 each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered;
 - 27.2.3 the date of delivery may be inserted in the testing clause in the blank provided for the effective date of this Deed.

28. RELEASE

- 28.1 **Release**
- 28.2 Upon the expiry of the Security Period or otherwise as provided in the Credit Agreement, the Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release, discharge or re-assign (without recourse or warranty) the Security Assets from the floating charge created pursuant to this Deed.
- 28.3 **Reinstatement**
- Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

29. GOVERNING LAW

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

30. ENFORCEMENT

- 30.1 **Jurisdiction of Scottish courts**
- 30.1.1 The courts of Scotland 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**").
 - 30.1.2 The Parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
 - 30.1.3 This Clause 30.1 is 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.

31. LIMITATION ON AGENT LIABILITY

The parties to this Deed agree that the liability and responsibility of Agent under this document, and recourse to the Agent, is limited in the manner set out in the Credit Agreement. For the avoidance of doubt, the parties to this Agreement hereby acknowledge and agree that the Agent shall not have any fiduciary duties or any trustee duties or obligations to any person as a result of this document.

IN WITNESS WHEREOF these presents consisting of this and the 14 preceding pages have been executed in counterpart by the parties as undernoted, with an effective date of 19 AUGUST 2022:

SUBSCRIBED for and on behalf of
**UNIVERSAL INSPECTION SYSTEMS
LIMITED**

at Burnley
(city)

on 19/8/22
(date of signing)

by PAUL MC SHANE
Director / Authorised Signatory (Print Name)

[REDACTED]
Director / Authorised Signatory (Signature)

before this witness:

Jennifer Kay
Witness (Print Full Name)

[REDACTED]
Witness (Signature)

PIH LTD, FARRINGTON ROAD INDUSTRIAL ESTATE, BURLEY, LANCs,
(Witness Address) BB11 5SW

Notices

Address: Site G Toftills Avenue, Midmill Business Park, Kintore, Scotland, AB51 0QP
Email: planigan@pipeline-technique.com
Attention: Philip Lanigan

SUBSCRIBED for and on behalf of **ALTER
DOMUS (US) LLC** as Agent

at Chicago
(city)

on 18 AUGUST 2022

Matthew Trybula (date of signing)
Associate Counsel

by _____
Authorised Signatory (Print Full Name)

Authorised Signatory (Signature)

before this witness:

Joseph Herrmann
Witness (Print Full Name)

Witness (Signature)

225 W. Washington St., 9th Floor, Chicago, IL 60606
(Witness Address)

Notices

Address: 225 W. Washington St., 9th Floor, Chicago, IL 60606
Email: legal_agency@alterdomus.com;
emily.ergangpappas@alterdomus.com; and
bill.ryan@alterdomus.com
Attention: Legal Department – Agency, Emily Ergang Pappas and Bill Ryan