



Registration of a Charge

Company Name: **CLYDE UNION LIMITED**

Company Number: **SC317760**



Received for filing in Electronic Format on the: **03/11/2022**

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Details of Charge

Date of creation: **28/10/2022**

Charge code: **SC31 7760 0014**

Persons entitled: **BNP PARIBAS (AS "COLLATERAL AGENT")**

Brief description: **THE TENANT'S INTEREST IN THE LEASE OF THE SUBJECTS AT NEWLANDS ROAD, CATHCART, GLASGOW AND HOLMHEAD CRESCENT, NEWLANDS ROAD, GLASGOW, CURRENTLY UNDERGOING REGISTRATION IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NUMBER GLA243935, AS MORE PARTICULARLY DESCRIBED IN THE STANDARD SECURITY.**

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: 317760

Charge code: SC31 7760 0014

The Registrar of Companies for Scotland hereby certifies that a charge dated 28th October 2022 and created by CLYDE UNION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd November 2022 .

Given at Companies House, Edinburgh on 4th November 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

STANDARD SECURITY

(Second lien)

by

CLYDE UNION LIMITED

as Chargor

in favour of

BNP PARIBAS

as Collateral Agent

Property: Tenant's interest in commercial subjects at Newlands Road, Cathcart, Glasgow (Title Number GLA243935)

Execution Version

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STANDARD SECURITY by

- (1) **CLYDE UNION LIMITED**, a company incorporated in Scotland with registered number SC317760 and having its registered office at 149 Newlands Road, Cathcart, Glasgow, G44 4EX (the "**Chargor**");
in favour of
- (2) **BNP PARIBAS**, a public company incorporated in France and registered with the French Trade and Companies Register (*Registre du Commerce et des Societes*) (Paris 662 042 449), acting by its New York branch at 787 Seventh Avenue, New York, NY 10019, United States of America, in its capacity as security trustee for the Secured Parties under and on the terms and conditions as set out in the Second Lien Credit Agreement and the Second Lien English Security Agreement aftermentioned (the "**Collateral Agent**" which expression shall include its successors and assignees as security trustee aforesaid).

WHEREAS:

- (A) By a second lien credit agreement dated 30 March 2020 and made between, amongst others, Boardwalk Parent, LLC (now Celeros Flow Technology, LLC), the financial institutions party thereto as Lenders and the Collateral Agent as Administrative Agent (the "**Second Lien Credit Agreement**"), certain facilities have been provided by the Lenders to the Borrower on the terms of the Second Lien Credit Agreement.
- (B) The provision of this Standard Security is a condition under the terms of the Second Lien Credit Agreement. This Standard Security is a "Scottish Collateral Agreement" as defined in the Second Lien Credit Agreement.
- (C) The Collateral Agent holds the Security Trust Property on trust for the Secured Parties on the terms set out in the Second Lien Credit Agreement and the Second Lien English Security Agreement.
- (D) The Chargor, on or around 15 May 2020, entered into a supplement to the Subsidiary Guarantee Agreement dated 30 March 2020 and is a Guarantor for the purposes of the Second Lien Credit Agreement.

IT IS AGREED as follows:

1. Definitions and Interpretation

In this Standard Security:

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

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Collateral Agent.

"**Discharge Date**" has the meaning given to the term Termination Date in the Second Lien Credit Agreement.

"**Event of Default**" has the meaning given to that term in the Second Lien Credit Agreement.

"**Exceptions from Warrandice**" means the first lien standard security granted by the Chargor in favour of the Collateral Agent over the Secured Subjects, dated on or around the effective date hereof in connection with the First Lien Loan Documents.

"**First Lien Credit Agreement**" means the first lien credit agreement dated 30 March 2020 and made between, amongst others, Boardwalk Intermediate, LLC, Boardwalk Parent, LLC, the financial institutions party thereto as lenders and BNP Paribas as administrative agent.

"**First Lien Loan Documents**" has the meaning given to the term "Loan Documents" in the First Lien Credit Agreement.

"**First Lien Security Termination Date**" means the Termination Date under and as defined in the First Lien Credit Agreement.

"Insolvency Event" in relation to a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief from debtors and any equivalent or analogous proceeding, whatever it is called, in any jurisdiction.

"Insurance" means any policy or contract of insurance.

"Intercreditor Agreement" means the intercreditor agreement, dated as of 30 March 2020 (as amended, restated, supplemented or otherwise modified from time to time) by and among BNP Paribas, in its capacity as the first lien agent, BNP Paribas, in its capacity as the first lien collateral agent, BNP Paribas, in its capacity as the second lien agent, and BNP Paribas, in its capacity as the second lien collateral agent.

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right.

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

"Moveables" means any plant, machinery, equipment, furniture or other moveable property on the Secured Subjects (whether attached or not).

"Party" means a party to this Standard Security.

"Second Lien Credit Agreement" shall have the meaning set out in Recital (A) to this Standard Security.

"Second Lien English Security Agreement" means the second lien English law security agreement dated 11 June 2020 and entered into between, amongst others, the Chargor and the Collateral Agent.

"Second Lien Loan Documents" has the meaning given to the term "Loan Documents" in the Second Lien Credit Agreement and includes the Second Lien Credit Agreement, the Second Lien English Security Agreement and this Standard Security.

"Secured Obligations" means the "Obligations" as defined in the Second Lien Credit Agreement, as such "Obligations" (and/or the Second Lien Credit Agreement or other Second Lien Loan Documents) may be amended, amended and restated, supplemented, replaced, renewed, restructured, extended, refunded, refinanced or otherwise modified from time to time (including, without limitation, where such transactions result in any increases or decreases of the principal amount of the "Obligations", any extensions of maturity or any changes in interest rates or other economic terms), but excluding any money, obligation or liability which would cause the undertaking set out in Clause 2.1 (*Undertaking to pay*) or the security which would otherwise be constituted by this Standard Security to be unlawful or prohibited by any applicable law or regulation.

"Secured Party" and **"Secured Parties"** has the meaning given to that term in the Second Lien Credit Agreement.

"Secured Subjects" means the subjects comprising ALL and WHOLE the tenant's interest in the lease between Flow UK Real Estate Holdings Limited (as landlords) and Clyde Union Limited (as tenants), dated 15 June 2022, of ALL and WHOLE the subjects at Newlands Road, Cathcart, Glasgow and Holmhead Crescent, Newlands Road, Glasgow, the tenant's interest in which lease is currently undergoing registration in the Land Register of Scotland under Title Number GLA243935 (application number 22GLA20145).

"Security Enforcement Party" means the Collateral Agent or any Delegate.

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

"Security Trust Property" means the security created under this Standard Security, the proceeds of such security, any rights or other assets expressed in this Standard Security to be granted to or held by the Collateral Agent as trustee and any rights granted in this Standard Security to any Secured Parties that are not party to this Standard Security.

"Standard Conditions" means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970, as amended, and any lawful variation thereof operative for the time being.

"VAT" means:

- (i) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (ii) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (i) above, or imposed elsewhere.

1.2 Terms defined in other Second Lien Loan Documents

Unless defined in this Standard Security, or the context otherwise requires, a term defined in the Second Lien Credit Agreement or the Second Lien English Security Agreement has the same meaning in this Standard Security, or any notice given under or in connection with this Standard Security, as if all references in those defined terms to the Second Lien Credit Agreement or the Second Lien English Security Agreement (as applicable) were a reference to this Standard Security or that notice.

1.3 Collateral Agent

The Collateral Agent executes this Standard Security in the exercise of the rights, powers and authority conferred and vested in it under the Second Lien Credit Agreement and the Second Lien English Security Agreement for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Standard Security in the manner provided for in the Second Lien Credit Agreement and the Second Lien English Security Agreement and, in so acting, it shall have the protections, exculpations, immunities, limitations of liability, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Second Lien Credit Agreement and the Second Lien English Security Agreement.

1.4 Construction

In this Standard Security:

- 1.4.1 The rules of interpretation contained in Section 1.02 (*Terms Generally*) and Section 9.14 (*Headings*) of the Second Lien Credit Agreement shall apply to the construction of this Standard Security, or in any notice given under or in connection with this Standard Security with such other changes as are appropriate to fit this context.
- 1.4.2 In addition, in this Standard Security, unless a contrary indication appears any reference to:
 - (i) the **"Collateral Agent"**, the **"Secured Parties"**, a **"Chargor"** or any **"Loan Party"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Collateral Agent, any person for the time being appointed as Collateral Agent (including security trustee) in accordance with the Second Lien Credit Agreement and the Second Lien English Security Agreement;
 - (ii) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to an asset includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a particular type or category of assets includes any present or future assets of that type or category;
 - (iii) a **"disposal"** includes any pledge, assignation, lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (iv) any **Second Lien Loan Document** or other **document** is to that Second Lien Loan Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that

amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);

- (v) the masculine, feminine or neuter gender respectively includes the other genders and the singular includes the plural (and vice versa);
- (vi) **"including"** means **"including without limitation"** (with related words being construed accordingly), **"in particular"** means **"in particular but without limitation"** and other general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
- (vii) a **Party** or other **particular person** includes its successors in title (including in the case of the Collateral Agent any successor Collateral Agent and security trustee), permitted assignees and permitted transferees in accordance with their respective interests;
- (viii) anything which is **"permitted by the Second Lien Credit Agreement"** or **"expressly permitted by the Second Lien Credit Agreement"** includes any action which is not expressly prohibited pursuant to the terms of the Second Lien Credit Agreement;
- (ix) a **"person"** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them;
- (x) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
- (xi) a **"Recital"** is to a statement made under the heading "Whereas" above and any reference to a "Clause" or to a "Schedule" is to a clause of or a schedule to this Standard Security (as the case may be);
- (xii) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to the Chargor's rights in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
- (xiii) **"this Security"** or **"this Standard Security"** means the Security Interests constituted by or pursuant to this Standard Security; and
- (xiv) **this Standard Security** includes the Recitals and Schedules which form part of this Standard Security for all purposes.

1.4.3 References in this Standard Security to any Clause or Schedule shall be to a Clause or Schedule contained in this Standard Security.

1.4.4 The index and Clause and Schedule headings are for ease of reference only.

1.4.5 If there is any inconsistency between the terms of this Standard Security and those of the Second Lien Credit Agreement and the Intercreditor Agreement, the terms of the Second Lien Credit Agreement or the Intercreditor Agreement (as applicable) shall prevail.

1.5 Third party rights

1.5.1 A person who is not a Party (other than a Delegate) has no right under the Contract (Third Party Rights) (Scotland) Act 2017, or any equivalent legislation or laws under application jurisdictions, to enforce or enjoy the benefit of any term of this Standard Security.

1.5.2 Notwithstanding Clause 1.5.1, no consent of any person who is not a Party is required to rescind or vary this Standard Security at any time.

1.6 Subordination of this Standard Security

Notwithstanding anything herein to the contrary:

- 1.6.1 the Security Interests granted to the Collateral Agent for the benefit of the Secured Parties pursuant to this Standard Security; and
- 1.6.2 the exercise of any right or remedy by the Collateral Agent hereunder or the application of proceeds (including insurance proceeds and condemnation proceeds) of the Secured Subjects,

are subject to the provisions of the Intercreditor Agreement.

2. Payment of the Secured Obligations

2.1 Undertaking to pay

The Chargor covenants with and undertakes to the Collateral Agent to pay and discharge, or procure the payment or discharge of, each of the Secured Obligations at the time and in the manner provided in the relevant Second Lien Loan Document for their payment or discharge by the relevant Loan Party.

2.2 Interest

If any amount payable under Clause 2.1 (*Undertaking to pay*) is not paid on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment). This interest shall accrue at the rate and on the terms from time to time applicable under the relevant document (or, in the absence of an applicable rate and applicable terms, shall be calculated and accrue in the manner referred to in Clause 2.13(c)(ii) (*Interest*) of the Second Lien Credit Agreement as if it were an overdue amount for the purpose of that clause and shall be payable on demand).

2.3 Further advances

This Standard Security is made to secure any further advances or other facilities made available by any Secured Party under the Second Lien Loan Documents. It does not create any obligation on any Secured Party to make any further advances or other facilities available.

3. Standard security

3.1 Standard Security

As continuing security for the payment and discharge of all of the Secured Obligations the Chargor HEREBY GRANTS a standard security in favour of the Collateral Agent over the Secured Subjects.

3.2 Ranking and priority

The standard security created pursuant to Clause 3.1 shall rank in accordance with the terms of Clause 2 of the Intercreditor Agreement.

4. The Standard Conditions

- 4.1 The Standard Conditions shall apply and the Chargor agrees that the Standard Conditions shall be varied, in so far as lawful and applicable, in accordance with the provisions of this Standard Security.
- 4.2 The representations, warranties, undertakings and covenants relating to the Secured Subjects contained in the Second Lien Credit Agreement are incorporated herein, *mutatis mutandis*, and the Standard Conditions are varied in accordance therewith.
- 4.3 Where there is an obligation in the Standard Conditions which is either more onerous than an equivalent obligation or is not contained in the Second Lien Credit Agreement, the terms of the Second Lien Credit Agreement shall prevail in so far as permitted by the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended).
- 4.4 In the event of any conflict between the terms of the Standard Conditions and the terms of the Second Lien Credit Agreement, the Second Lien Credit Agreement shall prevail.

5. Creation of Security Interests

5.1 General provisions regarding this Standard Security

5.1.1 All of the security created under this Standard Security:

- (i) is granted to the Collateral Agent as security trustee for the Secured Parties under and in terms of the Second Lien Credit Agreement and the Second Lien English Security Agreement; and
- (ii) secures the payment and discharge of the Secured Obligations.

5.1.2 If, to the extent and for so long as any charge created under this Standard Security fails to take effect over the Chargor's rights in the Secured Subjects because an Authorisation necessary for it to do so has not been obtained or made, the Chargor shall:

- (i) use its reasonable endeavours to obtain or make the Authorisation as soon as possible; and
- (ii) until it is obtained or made, hold the relevant rights on trust for the Collateral Agent.

6. Further assurance

6.1 Further assurance

The Chargor shall comply with its obligations under Section 5.10 (Further Assurances: Additional Security) of the Second Lien Credit Agreement.

7. Negative pledge and disposals

7.1 Negative pledge

The Chargor undertakes that it will not create or permit to subsist any Security Interest over any of the Secured Subjects except as expressly permitted by the Second Lien Credit Agreement.

7.2 No disposals

The Chargor undertakes that it will not dispose of (or agree to dispose of) the Secured Subjects except as expressly permitted by the Second Lien Credit Agreement.

8. Other covenants of general application

8.1 Information, access and remedy

8.1.1 The Chargor shall promptly deliver (or cause to be delivered) to the Collateral Agent:

- (i) Following the First Lien Security Termination Date, any title deeds and documents relating to the Secured Subjects which the Collateral Agent may reasonably request; and
- (ii) any evidence which the Collateral Agent may reasonably request of its compliance with the terms of this Standard Security.

8.1.2 After this Standard Security has become enforceable, the Chargor shall permit the Collateral Agent and/or its representatives, agents or contractors free access at all reasonable times to the Secured Subjects and any books, accounts and records relating to them:

- (i) to examine the state and condition of those assets;
- (ii) to inspect and take copies and extracts from those books, accounts and records; and
- (iii) to comply with or object to any direction or notice or other matter served on it.

8.1.3 After this Standard Security has become enforceable, the Collateral Agent may take any action (including the carrying out of repairs, the provision of information or the

payment of money) which it considers necessary or desirable to remedy any failure by the Chargor to comply with any of its obligations under the Second Lien Loan Documents.

- 8.1.4 The Collateral Agent shall have no obligation to exercise any of its rights under Clause 8.1.3 or otherwise in relation to the Secured Subjects.

8.2 Compliance with obligations

The Chargor shall:

- 8.2.1 observe, perform and otherwise comply with all covenants and other obligations and matters (whether or not contained in any Lease, agreement or other document) from time to time affecting the Secured Subjects or their use or enjoyment, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect; and
- 8.2.2 pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of the Secured Subjects, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect.

8.3 Enforcement of rights

The Chargor shall at its own cost use reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to the Secured Subjects which the Collateral Agent may from time to time require, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect.

9. Enforcement – general provisions

9.1 Enforcement

- 9.1.1 On or at any time after the occurrence of an Event of Default which is continuing, then:

- (i) the Chargor shall be held to be in default for the purposes of this Standard Security and Standard Condition 9(1)(b) of the Standard Conditions (and, for the avoidance of doubt, shall only be held to be in default for the purpose of Standard Condition 9(1)(b) in such circumstances); and
- (ii) the security created under this Standard Security shall become immediately enforceable and the Collateral Agent (or its Delegate) may enforce the security created under this Standard Security, and its rights under this Standard Security, in the manner and on the terms it thinks fit.

- 9.1.2 In particular, the Collateral Agent may without further notice exercise in relation to the Secured Subjects:

- (i) the power to take possession of and hold or dispose of all or any part of the Secured Subjects (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration));
- (ii) the power to take warrant of summary ejection against the Chargor, for the purposes of obtaining possession of the Secured Subjects;
- (iii) (in the name of the Chargor and in such manner and on such terms as the Collateral Agent shall in its absolute discretion consider appropriate) use, remove, store, sell, dispose of, or otherwise deal with any Moveables of the Chargor which are on the Secured Subjects, and deal with any proceeds received in accordance with the terms of the Second Lien Credit Agreement; and
- (iv) the power of sale and all other powers conferred on creditors by the Conveyancing and Feudal Reform (Scotland) Act 1970 or otherwise by law, in each case as extended or otherwise amended by this Standard Security.

9.2 Protection of third parties

- 9.2.1 No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall:

- (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Obligations remain outstanding; or
- (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with the Security Enforcement Party.

9.3 Delegation

- 9.3.1 The Collateral Agent and (to the extent his or her appointment so permits) a Security Enforcement Party (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Standard Security. A delegation under this Clause 9.3 (*Delegation*) may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- 9.3.2 A delegation under Clause 9.3.1 shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- 9.3.3 Neither the Collateral Agent nor any Security Enforcement Party shall be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

9.4 No liability

- 9.4.1 No Security Enforcement Party shall:
 - (i) owe any duty to the Chargor to exercise any of its rights under this Standard Security; or
 - (ii) be liable or responsible to the Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Standard Security.
- 9.4.2 A Security Enforcement Party shall not be liable as a mortgagee or creditor in possession or otherwise to account in relation to all or any part of the Secured Subjects for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession.

10. Dealing with proceeds

10.1 Application of proceeds of enforcement, etc

- 10.1.1 Any monies received by the Collateral Agent under this Standard Security after the security created under this Standard Security has become enforceable shall be applied in the following order of priority:
 - (i) in or towards payment of, or provision for, all amounts due to or Losses incurred by any Security Enforcement Party under or in connection with this Standard Security and all remuneration due under or in connection with this Standard Security;
 - (ii) in payment to the Collateral Agent to be applied in accordance with Section 7.02 (*Treatment of Certain Payments*) of the Second Lien Credit Agreement; and
 - (iii) if no Chargor is under any further actual or contingent liability under the Second Lien Loan Documents, in payment of the surplus (if any) to the person or persons entitled to it.
- 10.1.2 Notwithstanding Clause 10.1.1, until the Discharge Date the Collateral Agent may:
 - (i) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether

against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

- (ii) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Obligations.

10.1.3 Clause 10.1.1 is without prejudice to the right of the Collateral Agent to recover any shortfall from the Chargor.

10.2 Insurance proceeds

10.2.1 All monies received by the Chargor by virtue of any Insurance on the Secured Subjects, whether or not effected under this Standard Security:

- (i) shall be part of the Secured Subjects; and
- (ii) at any time after this Standard Security has become enforceable shall (subject to any rights of third parties arising under any applicable law and regulation or under any Lease) be paid to the Collateral Agent (and until so paid shall be held on trust for the Collateral Agent).

This Clause 10.2.1 shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Standard Security.

10.2.2 Any monies so paid to the Collateral Agent (or otherwise received by any Security Enforcement Party by virtue of any insurance on the Secured Subjects) shall be applied at the discretion of the Collateral Agent either in reduction of the Secured Obligations or in or towards making good the loss or damage in respect of which they became payable. The Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable.

11. General security provisions

11.1 Continuing security

The security created under this Standard Security is, and shall remain in force as, a continuing security for the Secured Obligations, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Collateral Agent.

11.2 Additional security

The security created under this Standard Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of any Secured Party.

11.3 Waiver of defences

The obligations of the Chargor under this Standard Security will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 11.3 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Standard Security, including (whether or not known to it or any Secured Party):

- 11.3.1 any time, waiver or consent granted to, or composition with, any Loan Party or any other person;
- 11.3.2 the release of any Loan Party or any other person under the terms of any composition or arrangement with any creditor;
- 11.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over the 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 document or any failure to take, or failure to realise the full value of, any Security Interest;
- 11.3.4 any supplement, extension, restatement, other amendment or novation or replacement of any Second Lien Loan Document or any other security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase

in any facility or the addition of any new facility under any Second Lien Loan Document or other Security Interest or other document;

- 11.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Loan Party or any other person;
- 11.3.6 any unenforceability, illegality or invalidity of any of the Secured Obligations or any other obligation of any person under any Second Lien Loan Document or any other document or Security Interest; or
- 11.3.7 any Insolvency Event in relation to any person.

11.4 Non-competition

Until the Discharge Date, the Chargor shall not exercise any rights it may have by reason of a claim being made against it under this Standard Security or its performing any of its obligations under it:

- 11.4.1 to claim any indemnity or contribution from any person;
- 11.4.2 to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party;
- 11.4.3 to bring legal or other proceedings for an order requiring any Loan Party to make any payment, or perform any obligation, in respect of any Secured Obligation;
- 11.4.4 to claim or prove as a creditor of any person in competition with any Secured Party; or
- 11.4.5 to receive, claim or have the benefit of any payment, distribution or Security Interest from or on account of any Loan Party or exercise any right of set-off against any Loan Party.

The Chargor shall hold any payment or other benefit received by it contrary to this Clause 11.4 (*Non-competition*) on trust for the Collateral Agent and promptly pay or transfer the same to the Collateral Agent for application in accordance with Clause 10.1 (*Application of proceeds of enforcement, etc.*).

11.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Secured Party to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Standard Security. This waiver applies irrespective of any applicable law and regulation or any provision of any Second Lien Loan Document to the contrary.

11.6 Redemption of prior Security Interests

- 11.6.1 The Collateral Agent may at any time:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over the Secured Subjects; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the Chargor.
- 11.6.2 All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 11.6.1 shall be paid by the Chargor to the Collateral Agent on demand, in each case together with interest calculated in the manner referred to in Clause 2.13(c)(ii) (*Interest*) of the Second Lien Credit Agreement in relation to overdue amounts.

11.7 Subsequent Security Interests

- 11.7.1 At any time following:
 - (i) the receipt by any Secured Party of notice (either actual or constructive) of any subsequent Security Interest affecting the Secured Subjects;
 - (ii) an Insolvency Event occurring in relation to the Chargor; or

- (iii) any disposal of the Secured Subjects in breach of Clause 7.2 (*No disposals*),

any Secured Party may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If a Secured Party does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

- 11.7.2 From that time all payments received by the Secured Party for the account of the Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

12. Power of attorney

- 12.1 The Chargor irrevocably and by way of security appoints each Security Enforcement Party to be its attorney, in its name or otherwise, on its behalf and as its act and deed:
- 12.1.1 to do anything which the Chargor is obliged to do under this Standard Security (but has failed to do), including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or other document; and
- 12.1.2 to do any act or thing which may be required or which the attorney may consider desirable in the exercise of any rights conferred on any Security Enforcement Party by this Standard Security or by applicable law and regulation.
- 12.2 The appointment effected under Clause 12.1 shall take effect immediately (or in the case of a Delegate, upon the appointment) but the powers conferred shall only become exercisable upon the occurrence of an Event of Default that is continuing.
- 12.3 The Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

13. Changes to the Parties

- 13.1 **Collateral Agent**
- The Collateral Agent may assign any or all of its rights and transfer any or all of its obligations under this Standard Security without the consent of the Chargor being required.
- 13.2 **Chargor**
- The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Standard Security.

14. Communications

Any communication to be made or delivered under or in connection with this Standard Security shall be made in accordance with Section 9.01 (*Notices; Communications*) of the Second Lien Credit Agreement.

15. Calculations and certificates

- 15.1 **Accounts**
- In any litigation or arbitration proceedings arising out of or in connection with this Standard Security, the entries made in the accounts maintained by the Collateral Agent or any other Secured Party are prima facie evidence of the matters to which they relate.
- 15.2 **Certificates and determinations**
- Any certification or determination of any Secured Party as to any matter provided for in this Standard Security is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

16. Partial invalidity

If, at any time, any provision of this Standard Security is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

17. Remedies and waivers

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

18. Amendments and waivers

Any term of this Standard Security may be amended or waived only with the written consent of the Collateral Agent and the Chargor, and any such amendment or waiver will be binding on all Parties.

19. Provisions of the Second Lien Credit Agreement

Any provision of the Second Lien Credit Agreement which is expressed to apply to documents including this Standard Security shall, except if and to the extent there is a provision in this Standard Security covering the same subject matter, apply to this Standard Security as if set out in full here, as if the Chargor were a Loan Party and with such other changes as are appropriate to fit this context.

20. Counterparts, delivery and effective date

- 20.1 This Standard Security may be executed in any number of counterparts and by each of the parties on separate counterparts.
- 20.2 Where executed in counterpart:
 - 20.2.1 this Standard Security will not take effect until each of the counterparts has been delivered;
 - 20.2.2 each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
 - 20.2.3 the date of delivery may be inserted in the testing clause in the blank provided for the effective date of this Standard Security.

21. Warrandice

The Chargor grants warrandice but excepting therefrom the Exceptions from Warrandice and the rights of occupation arising directly therefrom; but without prejudice to the right of the Collateral Agent to quarrel or impugn the same on any ground of law not inferring warrandice against the Chargor.

22. Governing law

This Standard Security and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of Scotland.

23. Enforcement

23.1 Jurisdiction of Scottish courts

- 23.1.1 The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Standard Security (including a dispute relating to the existence,

validity or termination of this Standard Security or any non-contractual obligations arising out of or in connection with this Standard Security) (a "Dispute").

23.1.2 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.

23.2 Benefit

Clause 23.1 (*Jurisdiction of Scottish courts*), is for the benefit of the Collateral Agent and the other 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.

IN WITNESS WHEREOF these presents consisting of this and the preceding twelve pages are executed in counterpart by the Chargor and the Collateral Agent as follows, with an effective date of 26 October 2022

SUBSCRIBED for and on behalf of the said
CLYDE UNION LIMITED

CLARE FRANCES BRADSHAW
.....
Director / Authorised Signatory
(Print Full Name)

[REDACTED]
.....
Director / Authorised Signatory
(Signature)

at GLASGOW
.....
(town of signature)

on 13 OCTOBER 2022
.....
(date of signature)

Before this witness

GARY WAUCER
.....
Witness
(Print Full Name)

[REDACTED]
.....
Witness
(Signature)

149 NEWLANDS ROAD, GLASGOW G44 4EX
.....
(address of witness)

SUBSCRIBED for and on behalf of the said
BNP PARIBAS
 as Collateral Agent

..... Authorised Signatory (Print Full Name) Authorised Signatory (Signature)
at..... (town of signature)	on..... (date of signature)

Before this witness

..... Witness (Print Full Name) Witness (Signature)
..... (address of witness)	

..... Authorised Signatory (Print Full Name) Authorised Signatory (Signature)
at..... (town of signature)	on..... (date of signature)

Before this witness

..... Witness (Print Full Name) Witness (Signature)
..... (address of witness)	



SHEPHERD+ WEDDERBURN

STANDARD SECURITY

(Second lien)

by

CLYDE UNION LIMITED

as Chargor

in favour of

BNP PARIBAS

as Collateral Agent

Property: Tenant's interest in commercial subjects at Newlands Road, Cathcart, Glasgow (Title Number GLA243935)

Execution Version

Shepherd and Wedderburn LLP
5th Floor, 1 Exchange Crescent
Conference Square
Edinburgh
EH3 8UL
DX 551970 Edinburgh 53
T: +44 (0)131 228 9900
F: +44 (0)131 228 1222
www.shepwedd.co.uk

#77821493v5<LEGALDIV> - Standard Security - 2L - Tenants Interest

STANDARD SECURITY by

- (1) **CLYDE UNION LIMITED**, a company incorporated in Scotland with registered number SC317760 and having its registered office at 149 Newlands Road, Cathcart, Glasgow, G44 4EX (the "**Chargor**");
in favour of
- (2) **BNP PARIBAS**, a public company incorporated in France and registered with the French Trade and Companies Register (*Registre du Commerce et des Sociétés*) (Paris 662 042 449), acting by its New York branch at 787 Seventh Avenue, New York, NY 10019, United States of America, in its capacity as security trustee for the Secured Parties under and on the terms and conditions as set out in the Second Lien Credit Agreement and the Second Lien English Security Agreement aftermentioned (the "**Collateral Agent**" which expression shall include its successors and assignees as security trustee aforesaid).

WHEREAS:

- (A) By a second lien credit agreement dated 30 March 2020 and made between, amongst others, Boardwalk Parent, LLC (now Celeros Flow Technology, LLC), the financial institutions party thereto as Lenders and the Collateral Agent as Administrative Agent (the "**Second Lien Credit Agreement**"), certain facilities have been provided by the Lenders to the Borrower on the terms of the Second Lien Credit Agreement.
- (B) The provision of this Standard Security is a condition under the terms of the Second Lien Credit Agreement. This Standard Security is a "Scottish Collateral Agreement" as defined in the Second Lien Credit Agreement.
- (C) The Collateral Agent holds the Security Trust Property on trust for the Secured Parties on the terms set out in the Second Lien Credit Agreement and the Second Lien English Security Agreement.
- (D) The Chargor, on or around 15 May 2020, entered into a supplement to the Subsidiary Guarantee Agreement dated 30 March 2020 and is a Guarantor for the purposes of the Second Lien Credit Agreement.

IT IS AGREED as follows:

1. Definitions and Interpretation

In this Standard Security:

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

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Collateral Agent.

"**Discharge Date**" has the meaning given to the term Termination Date in the Second Lien Credit Agreement.

"**Event of Default**" has the meaning given to that term in the Second Lien Credit Agreement.

"**Exceptions from Warrandice**" means the first lien standard security granted by the Chargor in favour of the Collateral Agent over the Secured Subjects, dated on or around the effective date hereof in connection with the First Lien Loan Documents.

"**First Lien Credit Agreement**" means the first lien credit agreement dated 30 March 2020 and made between, amongst others, Boardwalk Intermediate, LLC, Boardwalk Parent, LLC, the financial institutions party thereto as lenders and BNP Paribas as administrative agent.

"**First Lien Loan Documents**" has the meaning given to the term "Loan Documents" in the First Lien Credit Agreement.

"**First Lien Security Termination Date**" means the Termination Date under and as defined in the First Lien Credit Agreement.

"Insolvency Event" in relation to a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief from debtors and any equivalent or analogous proceeding, whatever it is called, in any jurisdiction.

"Insurance" means any policy or contract of insurance.

"Intercreditor Agreement" means the intercreditor agreement, dated as of 30 March 2020 (as amended, restated, supplemented or otherwise modified from time to time) by and among BNP Paribas, in its capacity as the first lien agent, BNP Paribas, in its capacity as the first lien collateral agent, BNP Paribas, in its capacity as the second lien agent, and BNP Paribas, in its capacity as the second lien collateral agent.

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right.

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

"Moveables" means any plant, machinery, equipment, furniture or other moveable property on the Secured Subjects (whether attached or not).

"Party" means a party to this Standard Security.

"Second Lien Credit Agreement" shall have the meaning set out in Recital (A) to this Standard Security.

"Second Lien English Security Agreement" means the second lien English law security agreement dated 11 June 2020 and entered into between, amongst others, the Chargor and the Collateral Agent.

"Second Lien Loan Documents" has the meaning given to the term "Loan Documents" in the Second Lien Credit Agreement and includes the Second Lien Credit Agreement, the Second Lien English Security Agreement and this Standard Security.

"Secured Obligations" means the "Obligations" as defined in the Second Lien Credit Agreement, as such "Obligations" (and/or the Second Lien Credit Agreement or other Second Lien Loan Documents) may be amended, amended and restated, supplemented, replaced, renewed, restructured, extended, refunded, refinanced or otherwise modified from time to time (including, without limitation, where such transactions result in any increases or decreases of the principal amount of the "Obligations", any extensions of maturity or any changes in interest rates or other economic terms), but excluding any money, obligation or liability which would cause the undertaking set out in Clause 2.1 (*Undertaking to pay*) or the security which would otherwise be constituted by this Standard Security to be unlawful or prohibited by any applicable law or regulation.

"Secured Party" and **"Secured Parties"** has the meaning given to that term in the Second Lien Credit Agreement.

"Secured Subjects" means the subjects comprising ALL and WHOLE the tenant's interest in the lease between Flow UK Real Estate Holdings Limited (as landlords) and Clyde Union Limited (as tenants), dated 15 June 2022, of ALL and WHOLE the subjects at Newlands Road, Cathcart, Glasgow and Holmhead Crescent, Newlands Road, Glasgow, the tenant's interest in which lease is currently undergoing registration in the Land Register of Scotland under Title Number GLA243935 (application number 22GLA20145).

"Security Enforcement Party" means the Collateral Agent or any Delegate.

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

"Security Trust Property" means the security created under this Standard Security, the proceeds of such security, any rights or other assets expressed in this Standard Security to be granted to or held by the Collateral Agent as trustee and any rights granted in this Standard Security to any Secured Parties that are not party to this Standard Security.

"Standard Conditions" means the standard conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970, as amended, and any lawful variation thereof operative for the time being.

"VAT" means:

- (i) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (ii) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (i) above, or imposed elsewhere.

1.2 Terms defined in other Second Lien Loan Documents

Unless defined in this Standard Security, or the context otherwise requires, a term defined in the Second Lien Credit Agreement or the Second Lien English Security Agreement has the same meaning in this Standard Security, or any notice given under or in connection with this Standard Security, as if all references in those defined terms to the Second Lien Credit Agreement or the Second Lien English Security Agreement (as applicable) were a reference to this Standard Security or that notice.

1.3 Collateral Agent

The Collateral Agent executes this Standard Security in the exercise of the rights, powers and authority conferred and vested in it under the Second Lien Credit Agreement and the Second Lien English Security Agreement for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Standard Security in the manner provided for in the Second Lien Credit Agreement and the Second Lien English Security Agreement and, in so acting, it shall have the protections, exculpations, immunities, limitations of liability, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Second Lien Credit Agreement and the Second Lien English Security Agreement.

1.4 Construction

In this Standard Security:

- 1.4.1 The rules of interpretation contained in Section 1.02 (*Terms Generally*) and Section 9.14 (*Headings*) of the Second Lien Credit Agreement shall apply to the construction of this Standard Security, or in any notice given under or in connection with this Standard Security with such other changes as are appropriate to fit this context.
- 1.4.2 In addition, in this Standard Security, unless a contrary indication appears any reference to:
 - (i) the **"Collateral Agent"**, the **"Secured Parties"**, a **"Chargor"** or any **"Loan Party"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Collateral Agent, any person for the time being appointed as Collateral Agent (including security trustee) in accordance with the Second Lien Credit Agreement and the Second Lien English Security Agreement;
 - (ii) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to an asset includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a particular type or category of assets includes any present or future assets of that type or category;
 - (iii) a **"disposal"** includes any pledge, assignation, lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (iv) any **Second Lien Loan Document** or other **document** is to that Second Lien Loan Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that

amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);

- (v) the masculine, feminine or neuter gender respectively includes the other genders and the singular includes the plural (and vice versa);
 - (vi) **"including"** means **"including without limitation"** (with related words being construed accordingly), **"in particular"** means **"in particular but without limitation"** and other general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
 - (vii) a **Party** or other **particular person** includes its successors in title (including in the case of the Collateral Agent any successor Collateral Agent and security trustee), permitted assignees and permitted transferees in accordance with their respective interests;
 - (viii) anything which is **"permitted by the Second Lien Credit Agreement"** or **"expressly permitted by the Second Lien Credit Agreement"** includes any action which is not expressly prohibited pursuant to the terms of the Second Lien Credit Agreement;
 - (ix) a **"person"** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them;
 - (x) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
 - (xi) a **"Recital"** is to a statement made under the heading "Whereas" above and any reference to a "Clause" or to a "Schedule" is to a clause of or a schedule to this Standard Security (as the case may be);
 - (xii) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to the Chargor's rights in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
 - (xiii) **"this Security"** or **"this Standard Security"** means the Security Interests constituted by or pursuant to this Standard Security; and
 - (xiv) **this Standard Security** includes the Recitals and Schedules which form part of this Standard Security for all purposes.
- 1.4.3 References in this Standard Security to any Clause or Schedule shall be to a Clause or Schedule contained in this Standard Security.
- 1.4.4 The index and Clause and Schedule headings are for ease of reference only.
- 1.4.5 If there is any inconsistency between the terms of this Standard Security and those of the Second Lien Credit Agreement and the Intercreditor Agreement, the terms of the Second Lien Credit Agreement or the Intercreditor Agreement (as applicable) shall prevail.

1.5 Third party rights

- 1.5.1 A person who is not a Party (other than a Delegate) has no right under the Contract (Third Party Rights) (Scotland) Act 2017, or any equivalent legislation or laws under application jurisdictions, to enforce or enjoy the benefit of any term of this Standard Security.
- 1.5.2 Notwithstanding Clause 1.5.1, no consent of any person who is not a Party is required to rescind or vary this Standard Security at any time.

1.6 Subordination of this Standard Security

Notwithstanding anything herein to the contrary:

- 1.6.1 the Security Interests granted to the Collateral Agent for the benefit of the Secured Parties pursuant to this Standard Security; and
- 1.6.2 the exercise of any right or remedy by the Collateral Agent hereunder or the application of proceeds (including insurance proceeds and condemnation proceeds) of the Secured Subjects,

are subject to the provisions of the Intercreditor Agreement.

2. Payment of the Secured Obligations

2.1 Undertaking to pay

The Chargor covenants with and undertakes to the Collateral Agent to pay and discharge, or procure the payment or discharge of, each of the Secured Obligations at the time and in the manner provided in the relevant Second Lien Loan Document for their payment or discharge by the relevant Loan Party.

2.2 Interest

If any amount payable under Clause 2.1 (*Undertaking to pay*) is not paid on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment). This interest shall accrue at the rate and on the terms from time to time applicable under the relevant document (or, in the absence of an applicable rate and applicable terms, shall be calculated and accrue in the manner referred to in Clause 2.13(c)(ii) (*Interest*) of the Second Lien Credit Agreement as if it were an overdue amount for the purpose of that clause and shall be payable on demand).

2.3 Further advances

This Standard Security is made to secure any further advances or other facilities made available by any Secured Party under the Second Lien Loan Documents. It does not create any obligation on any Secured Party to make any further advances or other facilities available.

3. Standard security

3.1 Standard Security

As continuing security for the payment and discharge of all of the Secured Obligations the Chargor HEREBY GRANTS a standard security in favour of the Collateral Agent over the Secured Subjects.

3.2 Ranking and priority

The standard security created pursuant to Clause 3.1 shall rank in accordance with the terms of Clause 2 of the Intercreditor Agreement.

4. The Standard Conditions

- 4.1 The Standard Conditions shall apply and the Chargor agrees that the Standard Conditions shall be varied, in so far as lawful and applicable, in accordance with the provisions of this Standard Security.
- 4.2 The representations, warranties, undertakings and covenants relating to the Secured Subjects contained in the Second Lien Credit Agreement are incorporated herein, *mutatis mutandis*, and the Standard Conditions are varied in accordance therewith.
- 4.3 Where there is an obligation in the Standard Conditions which is either more onerous than an equivalent obligation or is not contained in the Second Lien Credit Agreement, the terms of the Second Lien Credit Agreement shall prevail in so far as permitted by the Conveyancing and Feudal Reform (Scotland) Act 1970 (as amended).
- 4.4 In the event of any conflict between the terms of the Standard Conditions and the terms of the Second Lien Credit Agreement, the Second Lien Credit Agreement shall prevail.

5. Creation of Security Interests

5.1 General provisions regarding this Standard Security

5.1.1 All of the security created under this Standard Security:

- (i) is granted to the Collateral Agent as security trustee for the Secured Parties under and in terms of the Second Lien Credit Agreement and the Second Lien English Security Agreement; and
- (ii) secures the payment and discharge of the Secured Obligations.

5.1.2 If, to the extent and for so long as any charge created under this Standard Security fails to take effect over the Chargor's rights in the Secured Subjects because an Authorisation necessary for it to do so has not been obtained or made, the Chargor shall:

- (i) use its reasonable endeavours to obtain or make the Authorisation as soon as possible; and
- (ii) until it is obtained or made, hold the relevant rights on trust for the Collateral Agent.

6. Further assurance

6.1 Further assurance

The Chargor shall comply with its obligations under Section 5.10 (Further Assurances: Additional Security) of the Second Lien Credit Agreement.

7. Negative pledge and disposals

7.1 Negative pledge

The Chargor undertakes that it will not create or permit to subsist any Security Interest over any of the Secured Subjects except as expressly permitted by the Second Lien Credit Agreement.

7.2 No disposals

The Chargor undertakes that it will not dispose of (or agree to dispose of) the Secured Subjects except as expressly permitted by the Second Lien Credit Agreement.

8. Other covenants of general application

8.1 Information, access and remedy

8.1.1 The Chargor shall promptly deliver (or cause to be delivered) to the Collateral Agent:

- (i) Following the First Lien Security Termination Date, any title deeds and documents relating to the Secured Subjects which the Collateral Agent may reasonably request; and
- (ii) any evidence which the Collateral Agent may reasonably request of its compliance with the terms of this Standard Security.

8.1.2 After this Standard Security has become enforceable, the Chargor shall permit the Collateral Agent and/or its representatives, agents or contractors free access at all reasonable times to the Secured Subjects and any books, accounts and records relating to them:

- (i) to examine the state and condition of those assets;
- (ii) to inspect and take copies and extracts from those books, accounts and records; and
- (iii) to comply with or object to any direction or notice or other matter served on it.

8.1.3 After this Standard Security has become enforceable, the Collateral Agent may take any action (including the carrying out of repairs, the provision of information or the

payment of money) which it considers necessary or desirable to remedy any failure by the Chargor to comply with any of its obligations under the Second Lien Loan Documents.

- 8.1.4 The Collateral Agent shall have no obligation to exercise any of its rights under Clause 8.1.3 or otherwise in relation to the Secured Subjects.

8.2 Compliance with obligations

The Chargor shall:

- 8.2.1 observe, perform and otherwise comply with all covenants and other obligations and matters (whether or not contained in any Lease, agreement or other document) from time to time affecting the Secured Subjects or their use or enjoyment, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect; and
- 8.2.2 pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of the Secured Subjects, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect.

8.3 Enforcement of rights

The Chargor shall at its own cost use reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to the Secured Subjects which the Collateral Agent may from time to time require, to the extent that failure to do so would reasonably be expected to have a Material Adverse Effect.

9. Enforcement – general provisions

9.1 Enforcement

- 9.1.1 On or at any time after the occurrence of an Event of Default which is continuing, then:
- (i) the Chargor shall be held to be in default for the purposes of this Standard Security and Standard Condition 9(1)(b) of the Standard Conditions (and, for the avoidance of doubt, shall only be held to be in default for the purpose of Standard Condition 9(1)(b) in such circumstances); and
 - (ii) the security created under this Standard Security shall become immediately enforceable and the Collateral Agent (or its Delegate) may enforce the security created under this Standard Security, and its rights under this Standard Security, in the manner and on the terms it thinks fit.
- 9.1.2 In particular, the Collateral Agent may without further notice exercise in relation to the Secured Subjects:
- (i) the power to take possession of and hold or dispose of all or any part of the Secured Subjects (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration));
 - (ii) the power to take warrant of summary ejection against the Chargor, for the purposes of obtaining possession of the Secured Subjects;
 - (iii) (in the name of the Chargor and in such manner and on such terms as the Collateral Agent shall in its absolute discretion consider appropriate) use, remove, store, sell, dispose of, or otherwise deal with any Moveables of the Chargor which are on the Secured Subjects, and deal with any proceeds received in accordance with the terms of the Second Lien Credit Agreement; and
 - (iv) the power of sale and all other powers conferred on creditors by the Conveyancing and Feudal Reform (Scotland) Act 1970 or otherwise by law, in each case as extended or otherwise amended by this Standard Security.

9.2 Protection of third parties

- 9.2.1 No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall:

- (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Obligations remain outstanding; or
- (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with the Security Enforcement Party.

9.3 Delegation

- 9.3.1 The Collateral Agent and (to the extent his or her appointment so permits) a Security Enforcement Party (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Standard Security. A delegation under this Clause 9.3 (*Delegation*) may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- 9.3.2 A delegation under Clause 9.3.1 shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- 9.3.3 Neither the Collateral Agent nor any Security Enforcement Party shall be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

9.4 No liability

- 9.4.1 No Security Enforcement Party shall:
 - (i) owe any duty to the Chargor to exercise any of its rights under this Standard Security; or
 - (ii) be liable or responsible to the Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Standard Security.
- 9.4.2 A Security Enforcement Party shall not be liable as a mortgagee or creditor in possession or otherwise to account in relation to all or any part of the Secured Subjects for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession.

10. Dealing with proceeds

10.1 Application of proceeds of enforcement, etc

- 10.1.1 Any monies received by the Collateral Agent under this Standard Security after the security created under this Standard Security has become enforceable shall be applied in the following order of priority:
 - (i) in or towards payment of, or provision for, all amounts due to or Losses incurred by any Security Enforcement Party under or in connection with this Standard Security and all remuneration due under or in connection with this Standard Security;
 - (ii) in payment to the Collateral Agent to be applied in accordance with Section 7.02 (*Treatment of Certain Payments*) of the Second Lien Credit Agreement; and
 - (iii) if no Chargor is under any further actual or contingent liability under the Second Lien Loan Documents, in payment of the surplus (if any) to the person or persons entitled to it.
- 10.1.2 Notwithstanding Clause 10.1.1, until the Discharge Date the Collateral Agent may:
 - (i) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether

against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

- (ii) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Obligations.

10.1.3 Clause 10.1.1 is without prejudice to the right of the Collateral Agent to recover any shortfall from the Chargor.

10.2 Insurance proceeds

10.2.1 All monies received by the Chargor by virtue of any Insurance on the Secured Subjects, whether or not effected under this Standard Security:

- (i) shall be part of the Secured Subjects; and
- (ii) at any time after this Standard Security has become enforceable shall (subject to any rights of third parties arising under any applicable law and regulation or under any Lease) be paid to the Collateral Agent (and until so paid shall be held on trust for the Collateral Agent).

This Clause 10.2.1 shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Standard Security.

10.2.2 Any monies so paid to the Collateral Agent (or otherwise received by any Security Enforcement Party by virtue of any insurance on the Secured Subjects) shall be applied at the discretion of the Collateral Agent either in reduction of the Secured Obligations or in or towards making good the loss or damage in respect of which they became payable. The Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable.

11. General security provisions

11.1 Continuing security

The security created under this Standard Security is, and shall remain in force as, a continuing security for the Secured Obligations, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Collateral Agent.

11.2 Additional security

The security created under this Standard Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of any Secured Party.

11.3 Waiver of defences

The obligations of the Chargor under this Standard Security will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 11.3 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Standard Security, including (whether or not known to it or any Secured Party):

- 11.3.1 any time, waiver or consent granted to, or composition with, any Loan Party or any other person;
- 11.3.2 the release of any Loan Party or any other person under the terms of any composition or arrangement with any creditor;
- 11.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over the 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 document or any failure to take, or failure to realise the full value of, any Security Interest;
- 11.3.4 any supplement, extension, restatement, other amendment or novation or replacement of any Second Lien Loan Document or any other security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase

in any facility or the addition of any new facility under any Second Lien Loan Document or other Security Interest or other document;

- 11.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Loan Party or any other person;
- 11.3.6 any unenforceability, illegality or invalidity of any of the Secured Obligations or any other obligation of any person under any Second Lien Loan Document or any other document or Security Interest; or
- 11.3.7 any Insolvency Event in relation to any person.

11.4 **Non-competition**

Until the Discharge Date, the Chargor shall not exercise any rights it may have by reason of a claim being made against it under this Standard Security or its performing any of its obligations under it:

- 11.4.1 to claim any indemnity or contribution from any person;
- 11.4.2 to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party;
- 11.4.3 to bring legal or other proceedings for an order requiring any Loan Party to make any payment, or perform any obligation, in respect of any Secured Obligation;
- 11.4.4 to claim or prove as a creditor of any person in competition with any Secured Party; or
- 11.4.5 to receive, claim or have the benefit of any payment, distribution or Security Interest from or on account of any Loan Party or exercise any right of set-off against any Loan Party.

The Chargor shall hold any payment or other benefit received by it contrary to this Clause 11.4 (*Non-competition*) on trust for the Collateral Agent and promptly pay or transfer the same to the Collateral Agent for application in accordance with Clause 10.1 (*Application of proceeds of enforcement, etc*).

11.5 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Standard Security. This waiver applies irrespective of any applicable law and regulation or any provision of any Second Lien Loan Document to the contrary.

11.6 **Redemption of prior Security Interests**

11.6.1 The Collateral Agent may at any time:

- (i) redeem, or procure the transfer to itself of, any prior Security Interest over the Secured Subjects; or
- (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the Chargor.

11.6.2 All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 11.6.1 shall be paid by the Chargor to the Collateral Agent on demand, in each case together with interest calculated in the manner referred to in Clause 2.13(c)(ii) (*Interest*) of the Second Lien Credit Agreement in relation to overdue amounts.

11.7 **Subsequent Security Interests**

11.7.1 At any time following:

- (i) the receipt by any Secured Party of notice (either actual or constructive) of any subsequent Security Interest affecting the Secured Subjects;
- (ii) an Insolvency Event occurring in relation to the Chargor; or

- (iii) any disposal of the Secured Subjects in breach of Clause 7.2 (*No disposals*),

any Secured Party may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If a Secured Party does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

- 11.7.2 From that time all payments received by the Secured Party for the account of the Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

12. Power of attorney

- 12.1 The Chargor irrevocably and by way of security appoints each Security Enforcement Party to be its attorney, in its name or otherwise, on its behalf and as its act and deed:
- 12.1.1 to do anything which the Chargor is obliged to do under this Standard Security (but has failed to do), including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or other document; and
- 12.1.2 to do any act or thing which may be required or which the attorney may consider desirable in the exercise of any rights conferred on any Security Enforcement Party by this Standard Security or by applicable law and regulation.
- 12.2 The appointment effected under Clause 12.1 shall take effect immediately (or in the case of a Delegate, upon the appointment) but the powers conferred shall only become exercisable upon the occurrence of an Event of Default that is continuing.
- 12.3 The Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

13. Changes to the Parties

13.1 Collateral Agent

The Collateral Agent may assign any or all of its rights and transfer any or all of its obligations under this Standard Security without the consent of the Chargor being required.

13.2 Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Standard Security.

14. Communications

Any communication to be made or delivered under or in connection with this Standard Security shall be made in accordance with Section 9.01 (*Notices; Communications*) of the Second Lien Credit Agreement.

15. Calculations and certificates

15.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Standard Security, the entries made in the accounts maintained by the Collateral Agent or any other Secured Party are prima facie evidence of the matters to which they relate.

15.2 Certificates and determinations

Any certification or determination of any Secured Party as to any matter provided for in this Standard Security is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

16. Partial invalidity

If, at any time, any provision of this Standard Security is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

17. Remedies and waivers

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

18. Amendments and waivers

Any term of this Standard Security may be amended or waived only with the written consent of the Collateral Agent and the Chargor, and any such amendment or waiver will be binding on all Parties.

19. Provisions of the Second Lien Credit Agreement

Any provision of the Second Lien Credit Agreement which is expressed to apply to documents including this Standard Security shall, except if and to the extent there is a provision in this Standard Security covering the same subject matter, apply to this Standard Security as if set out in full here, as if the Chargor were a Loan Party and with such other changes as are appropriate to fit this context.

20. Counterparts, delivery and effective date

20.1 This Standard Security may be executed in any number of counterparts and by each of the parties on separate counterparts.

20.2 Where executed in counterpart:

20.2.1 this Standard Security will not take effect until each of the counterparts has been delivered;

20.2.2 each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and

20.2.3 the date of delivery may be inserted in the testing clause in the blank provided for the effective date of this Standard Security.

21. Warrandice

The Chargor grants warrandice but excepting therefrom the Exceptions from Warrandice and the rights of occupation arising directly therefrom; but without prejudice to the right of the Collateral Agent to quarrel or impugn the same on any ground of law not inferring warrandice against the Chargor.

22. Governing law

This Standard Security and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of Scotland.

23. Enforcement

23.1 Jurisdiction of Scottish courts

23.1.1 The courts of Scotland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Standard Security (including a dispute relating to the existence,

validity or termination of this Standard Security or any non-contractual obligations arising out of or in connection with this Standard Security) (a "**Dispute**").

23.1.2 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.

23.2 Benefit

Clause 23.1 (*Jurisdiction of Scottish courts*), is for the benefit of the Collateral Agent and the other 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.

IN WITNESS WHEREOF these presents consisting of this and the preceding twelve pages are executed in counterpart by the Chargor and the Collateral Agent as follows, with an effective date of 26 October 2022

SUBSCRIBED for and on behalf of the said
CLYDE UNION LIMITED

.....
Director / Authorised Signatory	Director / Authorised Signatory
(Print Full Name)	(Signature)
at.....	on.....
(town of signature)	(date of signature)

Before this witness

.....
Witness	Witness
(Print Full Name)	(Signature)
.....	
(address of witness)	

SUBSCRIBED for and on behalf of the said
BNP PARIBAS
as Collateral Agent

William Martin

Authorised Signatory
(Print Full Name)

Authorised Signatory
(Signature)

at *New York City*
(town of signature)

on *Sept. 20, 2022*
(date of signature)

Before this witness

Charles S. Romano, Jr.

Witness
(Print Full Name)

Witness
(Signature)

(address of witness)

Guillaume CHARRIER

Authorised Signatory
(Print Full Name)

Authorised Signatory
(Signature)

at *New York City*
(town of signature)

on *09/20/2022*
(date of signature)

Before this witness

Charles S. Romano, Jr.

Witness
(Print Full Name)

Witness
(Signature)

(address of witness)