



Registration of a Charge

Company name: **HYMATIC AEROSPACE LIMITED**

Company number: **03513156**



X7GDQKXM

Received for Electronic Filing: **12/10/2018**

Details of Charge

Date of creation: **27/09/2018**

Charge code: **0351 3156 0004**

Persons entitled: **JPMORGAN CHASE BANK, N.A. AS ADMINISTRATIVE AGENT**

Brief description: **N/A**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **DAVIS POLK & WARDWELL LONDON LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3513156

Charge code: 0351 3156 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th September 2018 and created by HYMATIC AEROSPACE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th October 2018 .

Given at Companies House, Cardiff on 16th October 2018

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

GLOBAL INTERCOMPANY NOTE PLEDGE AGREEMENT

dated as of

September 27, 2018

among

GARRETT LX I S.À R.L.,

GARRETT LX II S.À R.L.,

GARRETT LX III S.À R.L.,

GARRETT HOLDING COMPANY SÀRL,

NEW HONEYWELL SWITZERLAND HOLDINGS SÀRL,

HONEYWELL TECHNOLOGIES SÀRL,

HYMATIC AEROSPACE LIMITED,

HYMATIC INDUSTRIAL PRODUCTS LIMITED,

GARRETT TRANSPORTATION SYSTEMS LTD,

GARRETT TRANSPORTATION SYSTEMS UK II LTD,

GARRETT TURBO LTD,

GARRETT TS LTD,

MESL HOLDINGS LIMITED,

MESL MICROWAVE LIMITED,

THE HYMATIC GROUP LIMITED,

THE OTHER GRANTORS FROM TIME TO TIME PARTY HERETO,

and

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent

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GLOBAL INTERCOMPANY NOTE PLEDGE AGREEMENT dated as of September 27, 2018 (this “*Agreement*”), among, the Lux Borrower (as defined below), LuxCo 1 (as defined below), LuxCo 2 (as defined below), Garrett Holding Company Sàrl, New Honeywell Switzerland Holdings Sàrl, the Swiss Borrower (as defined below), Hymatic Aerospace Limited, Hymatic Industrial Products Limited, Garrett Transportation Systems Ltd, Garrett Transportation Systems UK II Ltd, Garrett Turbo Ltd, Garrett TS Ltd, MESL Holdings Limited, MESL Microwave Limited, The Hymatic Group Limited and the other Loan Parties from time to time party hereto (each a “*Grantor*” and together the “*Grantors*”), and JPMorgan Chase Bank, N.A. (“*JPMCB*”), as Administrative Agent (as defined below).

Reference is made to the Credit Agreement dated as of September 27, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), among GARRETT MOTION INC., a Delaware corporation (“*Holdings*”), GARRETT ASASCO INC., a Delaware corporation (“*U.S. HoldCo*”), GARRETT LX I S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225642 (“*LuxCo 1*”), GARRETT LX II S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225679 (“*LuxCo 2*”), the GARRETT LX III S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225716 (the “*Lux Borrower*”) (together with U.S. HoldCo, LuxCo 1 and LuxCo 2, collectively, the “*Intermediate HoldCos*” and individually, an “*Intermediate HoldCo*”), GARRETT BORROWING LLC, a Delaware limited liability company (the “*U.S. Co-Borrower*” and together with the Lux Borrower, the “*Tranche B Term Borrowers*”) and HONEYWELL TECHNOLOGIES Sàrl, a limited liability company (*société à responsabilité limitée*) organized under the laws of Switzerland (the “*Swiss Borrower*”) (together with the Tranche B Term Borrowers, the “*Borrowers*”), the Lenders and Issuing Banks from time to time party thereto and JPMCB, as Administrative Agent.

WHEREAS, the Lenders and the Issuing Banks have agreed to extend credit to the Borrowers subject to the terms and conditions set forth in the Credit Agreement. The obligations of the Lenders and the Issuing Banks to extend such credit are conditioned upon, among other things, the execution and delivery of this Agreement. The Grantors are Affiliates of the Borrowers, will derive substantial benefits from the extension of credit to the Borrowers pursuant to the Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders and the Issuing Banks to extend such credit.

WHEREAS, pursuant to the Guarantee Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the “*Guarantee Agreement*”), each Grantor party thereto has agreed to unconditionally and irrevocably guarantee to the Administrative Agent for the benefit of the Secured Parties the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Guaranteed Obligations (as defined in the Guarantee Agreement) pursuant to the terms of the Guarantee Agreement;

Accordingly, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.01. *Defined Terms.* (a) Each capitalized term used but not defined herein shall have the meaning specified in the Credit Agreement, provided that each term defined in the New York UCC (as defined herein) and not defined in this Agreement shall have the meaning specified in the New York UCC. The term “instrument” shall have the meaning specified in Article 9 of the New York UCC.

(b) The rules of construction specified in Section 1.03 of the Credit Agreement also apply to this Agreement, mutatis mutandis.

SECTION 1.02. *Other Defined Terms.* As used in this Agreement, the following terms have the meanings specified below:

“*Administrative Agent*” means (x) with respect to any pledge by the Swiss Borrower hereto, JPMCB acting in its capacity as Senior Secured Collateral Agent, as defined in the Intercreditor Agreement, and (y) with respect to any pledge by all other Grantors, JPMCB, acting in its capacity as Administrative Agent under the Credit Agreement.

“*Agreement*” has the meaning assigned to such term in the preamble hereto.

“*Borrowers*” has the meaning assigned to such term in the recitals hereto.

“*Credit Agreement*” has the meaning assigned to such term in the recitals hereto.

“*Federal Securities Laws*” has the meaning assigned to such term in Section 5.04.

“*Global Intercompany Note*” has the meaning assigned to such term in Section 3.01.

“*Grantors*” has the meaning assigned to such term in the recitals hereto.

“*Guarantee Agreement*” has the meaning assigned to such term in the recitals hereto.

“*Holdings*” has the meaning assigned to such term in the recitals hereto.

“*New York UCC*” means the Uniform Commercial Code as from time to time in effect in the State of New York.

“*Paid in Full*” and “*Payment in Full*” shall mean payment in full in cash of all of the Secured Obligations (other than (x) Secured Hedging Obligations not yet due and payable, (y) Secured Cash Management Obligations not yet due and payable and (z) contingent indemnification obligations not yet accrued and payable) and (b) with respect to Letters of Credit, when all Letters of Credit have expired or been terminated (other than Letters of Credit that have been cash collateralized or backstopped in an amount, by an institution and otherwise pursuant to arrangements reasonably satisfactory to the applicable Issuing Bank).

“Pledged Collateral” has the meaning assigned to such term in Section 3.01.

“Pledged Debt Securities” has the meaning assigned to such term in Section 3.01.

“Secured Obligations” means (x) with respect to the Swiss Borrower, the Senior Secured Credit Agreement Obligations and the TLB Proceeds Loan Obligations, as such terms are defined in the Intercreditor Agreement and (y) with respect to all other Grantors, *“Obligations”* as such term is defined in the Credit Agreement.

“Secured Parties” (x) means with respect to the Secured Obligations of the Swiss Borrower, the Senior Secured Credit Agreement Secured Parties and the TLB Proceeds Loan Creditor, as such terms are defined in the Intercreditor Agreement and (y) with respect to the Secured Obligations of all other Grantors, has the meaning assigned to such term in the Credit Agreement.

“Supplement” means an instrument in the form of Exhibit I hereto, or any other form approved by the Administrative Agent, and in each case reasonably satisfactory to the Administrative Agent.

“UCC” means the New York UCC; *provided* that, in the event that, by reason of mandatory provisions of law, any or all of the perfection or priority of, or remedies with respect to, any Pledged Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term *“UCC”* shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions hereof relating to such perfection, priority or remedies.

“U.S. Restricted Subsidiary” means any Restricted Subsidiary that is a U.S. Subsidiary.

ARTICLE II

[RESERVED]

ARTICLE III

Pledge of Securities

SECTION 3.01. *Pledge.* As security for the payment or performance, as the case may be, in full of the Secured Obligations, each Grantor hereby assigns and pledges to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in all of such Grantor’s right, title and interest in, to and under (a) (i) that certain Global Intercompany Note dated September 27, 2018, by and among each Grantor, Garrett Motion Inc. Garrett Motion Holdings Inc. BRH LLC, Friction Materials LLC, Garrett Borrowing LLC, Garrett Motion LLC, Garrett Transportation I Inc., Garrett ASASCO Inc., the other parties thereto from time to time and JPMCB, as Administrative Agent (the *“Global Intercompany Note”*) pursuant to which (x) intercompany obligations and advances owed to any loan party by the Payors listed in Schedule A thereto shall be pledged to JPMCB and (y) intercompany obligations and advances owed by any loan party to any Payee listed in Schedule A thereto shall be subordinated to the Secured Obligations, (ii) all promissory notes and other debt securities evidencing intercompany Indebtedness not evidenced by the Global Intercompany Note

but instead evidenced by a separate intercompany Note having a principal amount exceeding €20,000,000 (or its equivalent in U.S. Dollars) that is owing to a Grantor and (iii) any other debt securities owing to or at any time acquired by such Grantor and the promissory notes and powers thereto (collectively, the “*Pledged Debt Securities*”); (b) subject to Section 3.06, all payments of principal or interest, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other Proceeds received in respect of, the securities and instruments referred to in clause (a) above; (c) subject to Section 3.06, all rights and privileges of such Grantor with respect to the securities, instruments and other property referred to in clauses (a) and (b) above; and (d) all Proceeds of any and all of the foregoing (the items referred to in clauses (a) through (d) above being collectively referred to as the “*Pledged Collateral*”).

SECTION 3.02. *Perfection of Liens on the Pledged Collateral.* (a) Each Grantor agrees promptly to deliver or cause to be delivered to the Administrative Agent any and all Pledged Debt Securities (i) on the Effective Date, in the case of any such Pledged Debt Securities owned by such Grantor on the Effective Date, and (ii) within 60 days following the acquisition thereof by such Grantor, in the case of any such Pledged Debt Securities acquired by such Grantor after the Effective Date.

(b) Each Grantor will cause (i) all Indebtedness of Holdings and each Subsidiary that, in each case, is owing to such Grantor, to be evidenced by, at Grantor’s option, the Global Intercompany Note, or standalone promissory notes and (ii) the Global Intercompany Note and any intercompany Indebtedness not evidenced by the Global Intercompany Note but instead evidenced by a separate intercompany Note having a principal amount exceeding €20,000,000 (or its equivalent in U.S. Dollars) that is owing to a Grantor to be delivered to the Administrative Agent along with proper powers and instruments pursuant to the terms hereof.

(c) Each Grantor hereby authorizes the Administrative Agent (or its designee) at any time and from time to time to file in any relevant jurisdiction in the United States any initial financing statements with respect to the Pledged Collateral or any part thereof and amendments thereto that (i) indicate the Pledged Collateral as all assets, whether now owned or at any time hereafter acquired, of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail, and (ii) contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment, including whether such Grantor is an organization, the type of organization and any organizational identification number, if any, issued to such Grantor.

SECTION 3.03. *Representations and Warranties.* The Grantors jointly and severally represent and warrant to the Administrative Agent, for the benefit of the Secured Parties, that:

(a) Schedule I sets forth, as of the Effective Date, a true and complete list, with respect to each Grantor, of all Pledged Debt Securities owned by such Grantor and all promissory notes and other instruments evidencing such Pledged Debt Securities other than any Pledged Debt Security, or promissory note or other instrument evidencing any Pledged Debt Security, evidencing a Permitted Investment or Indebtedness of any Person (other than Holdings, any Borrower or any Subsidiary) in a principal amount not in excess of €20,000,000 (or its equivalent in U.S. Dollars).

(b) the Pledged Debt Securities have been issued by the issuers thereof and, in the case of such Pledged Debt Securities issued by Holdings, each Borrower or a

Restricted Subsidiary, have been duly and validly authorized are legal, valid and binding obligations of the issuers thereof, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws affecting creditors' rights generally and to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(c) except for the security interests granted hereunder, each of the Grantors (i) is and, subject to any transfers made in compliance with the Credit Agreement, will continue to be the direct owner, beneficially and of record, of the Pledged Debt Securities indicated on Schedule I as owned by such Grantor, (ii) holds the same free and clear of all Liens (other than Liens created or permitted under the Loan Documents and Permitted Encumbrances), (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in or other Lien on, the Pledged Collateral (other than Liens created or permitted under the Loan Documents, Permitted Encumbrances and transfers made in compliance with the Credit Agreement) and (iv) will defend its title or interest thereto or therein against any and all Liens (other than Liens created or permitted under the Loan Documents and Permitted Encumbrances), however arising, of all Persons whomsoever;

(d) except as disclosed on Schedule I or any supplemental schedule furnished pursuant to Section 3.02(c), and except for restrictions and limitations imposed by the Loan Documents or securities laws generally, and, in the case of clause (ii) below, except for limitations existing as of the Effective Date in the articles or certificate of incorporation, bylaws or other organizational documents of Holdings, any Borrower or any Restricted Subsidiary, (i) the Pledged Collateral is and will continue to be freely transferable and assignable, and (ii) none of the Pledged Collateral is or will be subject to any option, right of first refusal, shareholders agreement, charter or bylaw provisions or contractual restriction of any nature that might prohibit, impair, delay or otherwise affect the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Administrative Agent of rights and remedies hereunder; and

(e) by virtue of the execution and delivery by the Grantors of this Agreement, the Administrative Agent, for the benefit of the Secured Parties, has a legal and valid security interest in the Pledged Debt Securities securing the payment and performance of the Secured Obligations and when any Pledged Debt Securities are delivered to and subject to continued possession by the Administrative Agent in the State of New York in accordance with this Agreement, the Administrative Agent will obtain a legal, valid and perfected lien upon and security interest in such Pledged Debt Securities, under the New York UCC to the extent such lien and security interest may be created and perfected under the New York UCC, as security for the payment and performance of the Secured Obligations, subject to no prior Lien (other than Liens created under the Loan Documents and Permitted Encumbrances).

SECTION 3.04. *[Reserved]*

SECTION 3.05. *Registration in Nominee Name; Denominations.* The Administrative Agent, on behalf of the Secured Parties, shall hold the Pledged Debt Securities in the name of the applicable Grantor, endorsed or assigned in blank or in favor of the Administrative Agent. Following the occurrence and during the continuance of an Event of Default, the Administrative Agent may (and to the extent that action by it is required, the relevant Grantor, if directed to do so by the Administrative Agent, will as promptly as practicable) cause

each of the Pledged Debt Securities (or any portion thereof specified in such direction) to be transferred of record into the name of the Administrative Agent or its nominee. Following the occurrence and during the continuance of an Event of Default, each Grantor will promptly give to the Administrative Agent copies of any notices or other communications received by it with respect to Pledged Debt Securities registered in the name of such Grantor. Following the occurrence and during the continuance of an Event of Default and after prior written notice to the applicable Grantor, the Administrative Agent shall at all times have the right to exchange the certificates representing Pledged Debt Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement.

SECTION 3.06. *Rights and Interest.* (a) Unless and until an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Grantors that their rights under this Section 3.06 are being suspended:

(i) each Grantor shall be entitled to exercise any and all rights and powers inuring to an owner of Pledged Collateral or any part thereof for any purpose; *provided* that such rights and powers shall not be exercised in any manner that would reasonably be expected to materially and adversely affect the rights and remedies of the Administrative Agent in respect of the Pledged Collateral;

(ii) the Administrative Agent shall execute and deliver to each Grantor, or cause to be executed and delivered to such Grantor, all such proxies, powers of attorney and other instruments as such Grantor may reasonably request for the purpose of enabling such Grantor to exercise the rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section 3.06; and

(iii) each Grantor shall be entitled to receive and retain any and all interest, principal and other distributions paid on or distributed in respect of the Pledged Collateral, but only to the extent that such interest, principal and other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws, *provided* that any interest, principal or other distributions that would constitute Pledged Debt Securities, received in exchange for Pledged Debt Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral and, if received by any Grantor, and required to be delivered to the Administrative Agent hereunder, shall not be commingled by such Grantor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of, or for and on behalf of, the Administrative Agent and shall be forthwith delivered to the Administrative Agent in the same form as so received (with any necessary endorsements, stock powers or other instruments of transfer).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Administrative Agent shall have notified the Grantors of the suspension of their rights under paragraph (a)(iii) of this Section 3.06, then all rights of any Grantor to interest, principal or other distributions that such Grantor is authorized to receive pursuant to paragraph (a)(iii) of this Section 3.06, shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to receive and retain such interest, principal or other distributions. All interest, principal or other distributions received by any Grantor contrary to the provisions of this Section 3.06 shall be held in trust for the benefit of,

or for and on behalf of, the Administrative Agent, shall be segregated from other property or funds of such Grantor and shall be forthwith delivered to the Administrative Agent upon demand in the same form as so received (with any necessary endorsements or note powers or other instruments of transfer). Any and all money and other property paid over to or received by the Administrative Agent pursuant to the provisions of this paragraph (b) shall be retained by the Administrative Agent in an account to be established by the Administrative Agent upon receipt of such money or other property shall be held as security for the payment and performance of the Secured Obligations and shall be applied in accordance with the provisions of Section 5.02. After all Events of Default have been cured or waived and Holdings has delivered to the Administrative Agent a certificate of a Financial Officer of Holdings to that effect, the Administrative Agent shall promptly repay to each Grantor (without interest) all interest, principal or other distributions that such Grantor would otherwise have been permitted to retain pursuant to the terms of paragraph (a)(iii) of this Section 3.06 and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Administrative Agent shall have notified the Grantors of the suspension of their rights under paragraph (a)(i) of this Section 3.06, then all rights of any Grantor to exercise the rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section 3.06, and the obligations of the Administrative Agent under paragraph (a)(ii) of this Section 3.06, shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to exercise such rights and powers, *provided that*, unless otherwise directed by the Required Lenders, the Administrative Agent shall have the right from time to time following and during the continuance of an Event of Default to permit the Grantors to exercise such rights.

(d) Any notice given by the Administrative Agent to the Grantors suspending their rights under paragraph (a) of this Section 3.06 (i) shall be given in writing, (ii) may be given to one or more of the Grantors at the same or different times and (iii) may suspend the rights and powers of the Grantors under paragraph (a)(i) or paragraph (a)(iii) in part without suspending all such rights or powers (as specified by the Administrative Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Administrative Agent's right to give additional notices from time to time suspending other rights and powers so long as an Event of Default has occurred and is continuing.

ARTICLE IV

[Reserved]

ARTICLE V

Remedies

SECTION 5.01. *Remedies Upon Default.* Upon the occurrence and during the continuance of an Event of Default and following notice to the Borrowers as provided under Section 7.01 of the Credit Agreement, each Grantor agrees to deliver each item of Pledged Collateral to the Administrative Agent on demand, to the extent not already in the Administrative Agent's possession. Without limiting the generality of the foregoing, each Grantor agrees that the Administrative Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Pledged Collateral at a public or private sale for cash, upon credit or for future delivery as the Administrative Agent shall deem appropriate. The Administrative Agent shall be authorized at any such sale of securities (if it

deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Pledged Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Administrative Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Pledged Collateral so sold. Each such purchaser at any sale of Pledged Collateral shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the fullest extent permitted by applicable law) all rights of redemption, stay and appraisal that such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Administrative Agent shall give the applicable Grantors no less than 10 days' prior written notice (which each Grantor agrees is reasonable notice within the meaning of Section 9-611 of the New York UCC or its equivalent in other jurisdictions) of the Administrative Agent's intention to make any sale of Pledged Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Pledged Collateral or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Administrative Agent may fix and state in the notice (if any) of such sale. At any such sale, the Pledged Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Administrative Agent may (in its sole and absolute discretion) determine. The Administrative Agent shall not be obligated to make any sale of any Pledged Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Pledged Collateral shall have been given. The Administrative Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Pledged Collateral is made on credit or for future delivery, the Pledged Collateral so sold may be retained by the Administrative Agent until the sale price is paid by the purchaser or purchasers thereof, but neither the Administrative Agent nor any other Secured Party shall incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Pledged Collateral so sold and, in case of any such failure, such Pledged Collateral may be sold again upon like notice. In the event of a foreclosure by the Administrative Agent on any of the Pledged Collateral pursuant to a public or private sale or other disposition, the Administrative Agent or any Lender may be the purchaser or licensor of any or all of such Pledged Collateral at any such sale or other disposition, and the Administrative Agent, at the direction of the Required Lenders, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless the Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Pledged Collateral sold at any such public sale, to use and apply any of the Loan Document Obligations as a credit on account of the purchase price for any Pledged Collateral payable by the Administrative Agent on behalf of the Secured Parties at such sale or other disposition. For purposes hereof, a written agreement to purchase the Pledged Collateral or any portion thereof shall be treated as a sale thereof; the Administrative Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Pledged Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Administrative Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Loan Document Obligations Paid in Full. As an alternative to exercising the power of sale herein conferred upon it, the Administrative Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Pledged Collateral or any portion thereof pursuant to a

judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.01 shall be deemed to conform to commercially reasonable standards as provided in Section 9-610(b) of the New York UCC or its equivalent in other jurisdictions.

SECTION 5.02. *Application of Proceeds.* The Administrative Agent shall, subject to the Intercreditor Agreement, apply the proceeds of any collection, sale, foreclosure or other realization upon the Pledged Collateral, including any Pledged Collateral consisting of cash, as follows:

FIRST, to the payment of all costs and expenses incurred by, and all indemnity and fee obligations (other than contingent indemnification and expense reimbursement obligations for which no claim has been made) owed to, the Administrative Agent in connection with such collection, sale, foreclosure or other realization or otherwise in connection with this Agreement, any other Loan Document or any of the Secured Obligations, including all court costs and the fees and expenses of its agents and legal counsel, the repayment of all advances made by the Administrative Agent hereunder or under any other Loan Document on behalf of any Grantor and any other costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the Payment in Full of the Secured Obligations (the amounts so applied to be distributed among the Secured Parties pursuant to the Credit Agreement pro rata in accordance with the amounts of the Secured Obligations owed to them on the date of any such distribution); and

THIRD, to the Grantors, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

Notwithstanding the foregoing, no amounts received from any Excluded Swap Guarantor shall be applied to any Excluded Swap Obligations of such Excluded Swap Guarantor.

The Administrative Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of Pledged Collateral by the Administrative Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Administrative Agent or of the officer making the sale shall be a sufficient discharge to the Grantors and the purchaser or purchasers of the Pledged Collateral so sold and such Grantors, purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Administrative Agent or such officer or be answerable in any way for the misapplication thereof.

SECTION 5.03. *[Reserved]*.

SECTION 5.04. *Securities Act.* In view of the position of the Grantors in relation to the Pledged Collateral, or because of other current or future circumstances, a question may arise under the Securities Act, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect, the “*Federal Securities Laws*”) with respect to any disposition of the Pledged Collateral permitted hereunder. Each Grantor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Administrative Agent if the Administrative Agent were to attempt to dispose of all or any part of the Pledged Collateral, and might also limit

the extent to which or the manner in which any subsequent transferee of any Pledged Collateral could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Administrative Agent in any attempt to dispose of all or part of the Pledged Collateral under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. Each Grantor recognizes that in light of such restrictions and limitations the Administrative Agent may, with respect to any sale of the Pledged Collateral, limit the purchasers to those who will agree, among other things, to acquire such Pledged Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that in light of such restrictions and limitations, the Administrative Agent, in its sole and absolute discretion, (a) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Collateral or part thereof shall have been filed under the Federal Securities Laws and (b) may approach and negotiate with a single potential purchaser to effect such sale. Each Grantor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Administrative Agent shall incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Administrative Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section 5.04 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Administrative Agent sells.

ARTICLE VI

[Reserved]

ARTICLE VII

Miscellaneous

SECTION 7.01. *Notices.* All communications and notices to the Grantors and the Administrative Agent hereunder shall (except as otherwise expressly permitted herein) be given as provided in Section 9.01 of the Credit Agreement.

SECTION 7.02. *Waivers; Amendment.* (a) No failure or delay by any Secured Party in exercising any right or power under any Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Secured Parties hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 7.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the execution and delivery of this Agreement, the making of a Loan or issuance, amendment, renewal or extension of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time. No notice or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Grantors with respect to which such waiver, amendment or modification is applicable, subject to any consent required in accordance with Section 9.02 of the Credit Agreement; provided that the Administrative Agent may, without the consent of any Secured Party, consent to a departure by any Grantor from any covenant of such Grantor set forth herein to the extent such departure is consistent with the authority of the Administrative Agent set forth in the definition of the term "Collateral and Guarantee Requirement" in the Credit Agreement.

(c) This Agreement shall be construed as a separate agreement with respect to each Loan Party and may be amended, modified, supplemented, waived or released with respect to any Loan Party without the approval of any other Loan Party and without affecting the obligations of any other Loan Party hereunder.

SECTION 7.03. *Administrative Agent's Fees and Expenses.* (a) The Grantors jointly and severally agree to reimburse the Administrative Agent for its fees and expenses incurred hereunder as provided in Section 9.03 of the Credit Agreement; *provided that each reference therein to "Holdings" or the "Borrowers" shall be deemed to be a reference to the "Grantors."*

(b) Any such amounts payable as provided hereunder shall be additional Secured Obligations secured hereby and by the other Security Documents. The provisions of this Section 7.03 shall survive and remain in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby or thereby, the repayment of any of the Secured Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document or any investigation made by or on behalf of the Administrative Agent or any other Secured Party.

SECTION 7.04. *Survival of Agreement.* All covenants, agreements, representations and warranties made by the Grantors in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Secured Parties and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by or on behalf of any Secured Party or any other Person and notwithstanding that any Secured Party or any other Person may have had notice or knowledge of any Default or incorrect representation or warranty at the time any Loan Document is executed and delivered or any credit is extended under the Credit Agreement, and shall continue in full force and effect until all the Loan Document Obligations have been Paid in Full and the Lenders have no further commitment to lend, the LC Exposure has been reduced to zero and the Issuing Banks have no further obligations to issue, amend, or extend Letters of Credit under the Credit Agreement.

SECTION 7.05. *Counterparts; Effectiveness, Successors and Assigns.* This Agreement may be executed in counterparts, (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract. This Agreement shall become effective as to any Grantor when a counterpart hereof executed on behalf of such Grantor shall have been delivered to the Administrative Agent and a counterpart hereof shall have been executed on behalf of the Administrative Agent, and thereafter shall be binding upon such Grantor and the Administrative Agent and their respective permitted successors and assigns, and shall inure to the benefit of such

Grantor, the Administrative Agent and the other Secured Parties and their respective permitted successors and assigns, except that no Grantor may assign or otherwise transfer any of its rights or obligations hereunder or any interest herein or in the Pledged Collateral (and any such assignment or transfer by any Loan Party shall be null and void), except as expressly contemplated by this Agreement or the Credit Agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 7.06. *Severability.* Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 7.07. *Right of Set-Off.* If an Event of Default shall have occurred and be continuing, each Lender and Issuing Bank and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final), in whatever currency) or other amounts at any time held and other obligations (in whatever currency) at any time owing by such Lender or Issuing Bank or any such Affiliate to or for the credit or the account of any Grantor against any of or all the obligations then due of such Grantor now or hereafter existing under this Agreement held by such Lender or Issuing Bank or any such Affiliate, irrespective of whether or not such Lender or Issuing Bank or any such Affiliate shall have made any demand under this Agreement. Each Lender and Issuing Bank agrees to notify the Grantors and the Administrative Agent promptly after any such setoff and application; provided that the failure to give or any delay in giving such notice shall not affect the validity of any such setoff and application under this Section. The rights of each Lender and Issuing Bank and each of their respective Affiliates under this Section 7.07 are in addition to other rights and remedies (including other rights of set-off) that such Lender or Affiliate may have.

SECTION 7.08. *Governing Law; Jurisdiction; Consent to Service of Process.*

(a) This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

(b) Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action, litigation or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each Grantor hereby irrevocably and unconditionally agrees that all claims in respect of any such action, litigation or proceeding shall be heard and determined in such New York State or, to the fullest extent permitted by applicable law, in such Federal court. Each Grantor agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, any Lender or any Issuing Bank may otherwise have to bring any action, litigation or proceeding relating to this Agreement or any other Loan Document against any Grantor or any of its properties in the courts of any jurisdiction.

(c) Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action, litigation or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section 7.08. Each Grantor hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each Grantor irrevocably consents to service of process in the manner provided for notices in Section 7.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

(e) Each Grantor hereby irrevocably designates, appoints and empowers Holdings as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf, and in respect of its property, service of any and all legal process, summons, notices and documents that may be served in any such action or proceeding and Holdings hereby accepts said designation and appointment.

SECTION 7.09. *WAIVER OF JURY TRIAL.* EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.09.

SECTION 7.10. *Headings.* Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 7.11. *Security Interest Absolute.* All rights of the Administrative Agent hereunder, the Security Interest, the grant of the security interest in the Pledged Collateral and all obligations of each Grantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment to or waiver of, or any consent to any departure from, the Credit Agreement, any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing, (c) any exchange, release or non-perfection of any Lien on other collateral securing, or any release or amendment to or waiver of, or any consent to any departure from, any guarantee of, all or any of the Secured Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Secured Obligations or this Agreement.

SECTION 7.12. *Termination or Release.* (a) This Agreement, the Security Interest and all other security interests granted hereby shall terminate and be released when all the Loan Document Obligations have been Paid in Full and the Lenders have no further commitment to lend, the LC Exposure has been reduced to zero and the Issuing Banks have no further obligations to issue, amend or extend Letters of Credit under the Credit Agreement.

(b) A Grantor shall automatically be released from its obligations hereunder and the Security Interest in the Pledged Collateral of such Grantor shall be automatically released at the time or times and in the manner set forth in Section 9.14 of the Credit Agreement.

(c) Upon any sale or other transfer by any Grantor of any Pledged Collateral that is permitted under the Credit Agreement (other than a sale or other transfer to a Loan Party), or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Pledged Collateral pursuant to Section 9.02 or Section 9.14 of the Credit Agreement, the security interest in such Pledged Collateral shall be automatically released.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c) of this Section 7.12, the Administrative Agent shall execute and deliver to any Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 7.12 shall be without warranty by the Administrative Agent, and the Administrative Agent shall have no liability whatsoever to any other Secured Party as a result of any release of Pledged Collateral by it in accordance with (or which the Administrative Agent in good faith believes to be in accordance with) this Section 7.12.

SECTION 7.13. *Additional Grantors.* Pursuant to the Credit Agreement, certain foreign Restricted Subsidiaries not a party hereto on the Effective Date are required to enter in this Agreement. Upon the execution and delivery by the Administrative Agent and any such Restricted Subsidiary of a Supplement, such Restricted Subsidiary shall become a Grantor hereunder, with the same force and effect as if originally named as such herein. The execution and delivery of any Supplement shall not require the consent of any other Loan Party. The rights and obligations of each Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any new Restricted Subsidiary as a party to this Agreement.

SECTION 7.14. *Administrative Agent Appointed Attorney-in-Fact.* Each Grantor hereby appoints the Administrative Agent as the attorney-in-fact of such Grantor for the purpose of carrying out the provisions of this Agreement and so long as an Event of Default has occurred and is continuing taking any action and executing any instrument that the Administrative Agent may deem necessary for the purpose of carrying out the provisions of this Agreement, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Administrative Agent shall have the right, solely upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Administrative Agent's name or in the name of such Grantor (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Pledged Collateral or any part thereof; (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Pledged Collateral; (c) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Pledged Collateral or to enforce any rights in respect of any Pledged Collateral; (d) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Pledged Collateral; and (e) to use, sell, assign, transfer, pledge, make any agreement

with respect to or otherwise deal with all or any of the Pledged Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Administrative Agent were the absolute owner of the Pledged Collateral for all purposes, *provided* that nothing herein contained shall be construed as requiring or obligating the Administrative Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Administrative Agent, or to present or file any claim or notice, or to take any action with respect to the Pledged Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Administrative Agent and the other Secured Parties shall be accountable only for amounts actually received as a result of the exercise of the powers granted to them herein, and neither they nor their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence, bad faith or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable judgment).

SECTION 7.15. *General Provisions Concerning the Administrative Agent.*

(a) The provisions of Article 8 of the Credit Agreement shall inure to the benefit of the Administrative Agent, and shall be binding upon all Grantors and all Secured Parties, in connection with this Agreement and the other Security Documents. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Security Documents that the Administrative Agent is required in writing to exercise by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02 of the Credit Agreement), and (iii) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to any Grantor that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be responsible for the existence, genuineness or value of any Pledged Collateral or for the validity, perfection, priority or enforceability of any Lien, whether impaired by operation of law or by reason of any action or omission to act on its part under the Security Documents. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by Holdings, the Swiss Borrower or a Secured Party.

(b) The Administrative Agent may perform any of its duties and exercise any of its rights and powers through one or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any of its duties and exercise any of its rights and powers through its Related Parties. The exculpatory provisions of Section 7.16 and this Section 7.15 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent.

(c) For all purposes of the Security Documents, including determining the amounts of the Secured Obligations and whether a Secured Obligation is a contingent Obligation or not, or whether any action has been taken under any Secured Agreement, the Administrative Agent will be entitled to rely on information from (i) its own records for information as to the Lenders, their Secured Obligations and actions taken by them, (ii) any Secured Party (or any trustee, agent or similar representative designated pursuant to the Intercreditor Agreement pursuant) for information as to its Secured Obligations and actions taken by it, to the extent that the Administrative Agent has not obtained such information from its own records, and (iii) any

Borrower, to the extent that the Administrative Agent has not obtained information from the foregoing sources.

(d) The Administrative Agent may refuse to act on any notice, consent, direction or instruction from any Secured Parties or any agent, trustee or similar representative thereof that, in the Administrative Agent's opinion, (iv) is contrary to law or the provisions of any Security Document, (v) may expose the Administrative Agent to liability (unless the Administrative Agent shall have been indemnified, to its reasonable satisfaction, for such liability by the Secured Parties that gave such notice, consent, direction or instruction) or (vi) is unduly prejudicial to Secured Parties not joining in such notice, consent, direction or instruction.

SECTION 7.16. *Limitation on Duty in Respect of Pledged Collateral.* Beyond the exercise of reasonable care in the custody and preservation thereof, the Administrative Agent will have no duty as to any Pledged Collateral in its possession or control or in the possession or control of any sub-agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Administrative Agent will be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession or control if such Pledged Collateral is accorded treatment substantially equal to that which it accords its own property, and will not be liable or responsible for any loss or damage to any Pledged Collateral, or for any diminution in the value thereof, by reason of any act or omission of any sub-agent or bailee selected by the Administrative Agent in good faith, except to the extent that such liability arises from the Administrative Agent's gross negligence, bad faith or willful misconduct.

SECTION 7.17. *Benefit of Agreement.* Subject to the Intercreditor Agreement, no Secured Party that obtains the benefit of this Agreement shall have any right to notice of any action or to consent to, direct or object to any action hereunder or otherwise in respect of the Pledged Collateral (including, without limitation, the release or impairment of any Pledged Collateral) other than in its capacity as the Administrative Agent or a Lender, as applicable, and, in any such case, only to the extent expressly provided in the Loan Documents, including Article VIII of the Credit Agreement. Each Secured Party not a party to the Credit Agreement that obtains the benefit of this Agreement shall be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of the Credit Agreement, including under Article VIII of the Credit Agreement.

SECTION 7.18. *Subject to Intercreditor Agreement; Conflicts.* Notwithstanding anything herein to the contrary, (i) the Liens and security interests granted to the Administrative Agent for the benefit of the Secured Parties pursuant to this Agreement and (ii) the exercise of any right or remedy by the Administrative Agent hereunder or the application of proceeds (including insurance and condemnation proceeds) of any Pledged Collateral, in each case, are subject to the limitations and provisions of the Intercreditor Agreement to the extent provided therein. In the event of any conflict between the terms of the Intercreditor Agreement and the terms of this Agreement, the terms of the Intercreditor Agreement shall govern.

SECTION 7.19. *Limitation of Security*

Notwithstanding anything to the contrary in this Agreement, (x) the obligations of any additional Grantor that has joined pursuant to Section 7.13 and the rights of the Administrative Agent and the other Grantors against such additional Grantor under this Agreement shall be subject to any limitations imposed by law applicable to such Grantor's jurisdiction of organization indicated in any Supplement executed by any additional Grantor organized in such jurisdiction; and (y) the

obligations of the Swiss Borrower, of New Honeywell Holding Sàrl and of any additional Grantor organized under the laws of Switzerland (each a "*Swiss Grantor*") and the rights of the Administrative Agent and the other Grantors against the Swiss Grantors under this Agreement and any other Loan Documents are subject to the following limitations:

- (a) If and to the extent any obligation assumed by the Swiss Grantor under this Agreement secures obligations of any of its (direct or indirect) parent companies (upstream security) or sister companies (cross-stream security) (the "*Upstream or Cross-Stream Secured Obligations*") and if and to the extent using the proceeds from the enforcement of such security or other obligation to discharge the Upstream or Cross-Stream Secured Obligations would be unlawful under Swiss corporate law (*inter alia*, prohibiting capital repayments or violation of the legally protected reserves (*gesetzlich geschützte Reserven*)) at such time, the proceeds from the enforcement of such security or other obligation to be used to discharge the Upstream or Cross-Stream Secured Obligations shall be limited to the maximum amount of the Swiss Grantor's freely disposable shareholder equity at the time of enforcement (the "*Maximum Amount*"); provided that such limitation is required under the applicable Swiss corporate law at that time; provided, further, that such limitation shall not free the Swiss Grantor from its obligations in excess of the Maximum Amount, but merely postpone the performance date of those obligations until such time or times as performance is again permitted under then applicable Swiss corporate law. This Maximum Amount of freely disposable shareholder equity shall be determined in accordance with Swiss law and applicable Swiss accounting principles.
- (b) In respect of Upstream or Cross-Stream Secured Obligations, the Swiss Grantor shall, as concerns the proceeds resulting from the enforcement of obligations assumed by the Swiss Grantor under this Agreement, if and to the extent required by applicable law in force at the relevant time:
 - (i) procure that such enforcement proceeds can be used to discharge Upstream or Cross-Stream Secured Obligations without deduction of Swiss Withholding Tax by discharging the liability to such tax by notification pursuant to applicable law (including double tax treaties) rather than payment of the tax;
 - (ii) if the notification procedure pursuant to sub-paragraph (i) above does apply, notify the Administrative Agent that such notification has been made, and provide the Administrative Agent with evidence that such a notification of the Swiss Federal Tax Administration has been made;
 - (iii) in the case of a deduction of Swiss Withholding Tax, in accordance with paragraph (c) below,
 - (1) use its best efforts to ensure that any person, which is entitled to a full or partial refund of the Swiss Withholding Tax deducted from such enforcement proceeds, will, as soon as possible after such deduction request a refund of the Swiss Withholding Tax under applicable law (including tax treaties), and pay to the Administrative Agent upon receipt any amount so refunded; and
 - (2) if the Administrative Agent or any other Pledgee is entitled to a full or partial refund of the Swiss Withholding Tax deducted from such payment, and if requested by the Administrative Agent or such Pledgee, shall provide that Administrative Agent or the respective Pledgee those documents that are

required by law and applicable tax treaties to be provided by the payer of such tax to prepare a claim for refund of Swiss Withholding Tax.

- (c) if the notification procedure pursuant to paragraph (b)(i) above does not apply, the Administrative Agent shall deduct the Swiss Withholding Tax at such rate (currently 35% at the date of this Agreement) as is in force from time to time from any such enforcement proceeds used to discharge Upstream or Cross-Stream Secured Obligations, and pay, without delay, any such taxes deducted to the Swiss Federal Tax Administration;
- (d) If the Swiss Grantor is obliged to withhold Swiss Withholding Tax in accordance with paragraph (b) above, the Administrative Agent shall be entitled to further enforce the obligations assumed by the Swiss Grantor under this Agreement and/or further apply proceeds (subject to the same Swiss Withholding Tax deduction as provided in paragraph (c) above) therefrom against Upstream or Cross-Stream Secured Obligations up to an amount which is equal to that amount which would have been obtained if no withholding of Swiss Withholding Tax were required, whereby such further enforcements/applications of proceeds (and related Swiss Withholding Tax deduction) shall always be limited to the maximum amount of the freely distributable capital of the Swiss Grantor as set out in paragraph (a) above.
- (e) If and to the extent requested by the Administrative Agent or if and to the extent required under Swiss mandatory law applicable at the relevant time, in order to allow the Administrative Agent or the Grantors to obtain a maximum benefit under the obligations assumed by the Swiss Grantor under this Agreement, the Swiss Grantor shall, and any parent company of the Swiss Grantor shall procure that the Swiss Grantor will, promptly take and promptly cause to be taken any action, including the following:
 - (i) the passing of any shareholders' resolutions or quotaholders' resolutions, as the case may be, to approve the use of the enforcement proceeds, which may be required as a matter of Swiss mandatory law in force at the time of the enforcement of the Upstream or Cross-Stream Secured Obligations in order to allow a prompt use of the enforcement proceeds;
 - (ii) preparation of an up-to-date audited balance sheet of the Swiss Grantor;
 - (iii) statement of the auditors of the Swiss Grantor confirming the Maximum amount;
 - (iv) conversion of restricted reserves into profits and reserves freely available for the distribution as dividends (to the extent permitted by mandatory Swiss law);
 - (v) revaluation of hidden reserves (to the extent permitted by mandatory Swiss law);
 - (vi) to the extent permitted by applicable law and Swiss accounting standards, write-up or realize any of its assets that are shown in its balance sheet with a book value that is significantly lower than the market value of the assets, in case of realization, however, only if such assets are not necessary for the Swiss Grantor's business (*nicht betriebsnotwendig*); and

- (vii) all such other measures reasonably necessary or useful to allow the Administrative Agent to use enforcement proceeds as agreed hereunder with a minimum of limitations.

In the event that the amounts directly or indirectly on-lent by Lux Borrower to the Swiss Borrower (and its direct or indirect subsidiaries, where such direct or indirect subsidiaries are organized under the laws of Switzerland or, if different, are considered to be tax resident in Switzerland for Swiss Withholding Tax purposes), including the Secured Obligations, exceed the IFRS Equity Amount, the limitations set out this Clause 7.19 shall apply *mutatis mutandis*.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

**HYMATIC INDUSTRIAL PRODUCTS
LIMITED**

By: 

Name: Asad Ali

Title: Director

New Honeywell Switzerland Holdings Sàrl

By: _____

Name: Claudia Schön

Title: Managing Director

**Honeywell Technologies Sàrl
Garrett Holding Company Sàrl**

By: _____

Name: Herwig Vanbeneden

Title: Managing Director

**GARRETT LX III S.à r.l.
GARRETT LX II S.à r.l.
GARRETT LX I S.à r.l.**

By: _____

Name: Su Ping Lu

Title: Class A Manager and Authorised
Signatory

**GARRETT TRANSPORTATION SYSTEMS
LTD
GARRETT TRANSPORTATION SYSTEMS
UK II LTD
GARRETT TS LTD
GARRETT TURBO LTD.**

By: _____

Name: Su Ping Lu

Title: Director

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

**HYMATIC INDUSTRIAL PRODUCTS
LIMITED**

By: _____
Name: Asad Ali
Title: Director

New Honeywell Switzerland Holdings Sàrl

By: _____
Name: Claudia Schön
Title: Managing Director

**Honeywell Technologies Sàrl
Garrett Holding Company Sàrl**

By: _____
Name: Herwig Vanbeneden
Title: Managing Director

**GARRETT LX III S.à r.l.
GARRETT LX II S.à r.l.
GARRETT LX I S.à r.l.**

By: _____
Name: Su Ping Lu
Title: Class A Manager and Authorised
Signatory

**GARRETT TRANSPORTATION SYSTEMS
LTD
GARRETT TRANSPORTATION SYSTEMS
UK II LTD
GARRETT TS LTD
GARRETT TURBO LTD.**

By: _____
Name: Su Ping Lu
Title: Director

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GARRETT LX II S.à r.l.
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By: _____

Name: Su Ping Lu
Title: Class A Manager and Authorised
Signatory

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LTD
GARRETT TRANSPORTATION SYSTEMS
UK II LTD
GARRETT TS LTD
GARRETT TURBO LTD.**

By: _____

Name: Su Ping Lu
Title: Director

Hymatic Aerospace Limited

By: _____

Name: Kevin Mogg
Title: Director

MESL HOLDINGS LIMITED
MESL Microwave Limited

By: _____

Name: John Cain Little
Title: Director

The Hymatic Group Limited

By: _____

Name: John Michael Turner
Title: Director

Hymatic Aerospace Limited

By: _____

Name: Kevin Mogg

Title: Director

MESL HOLDINGS LIMITED

MESL Microwave Limited

By: _____

Name: John Cain Little

Title: Director

The Hymatic Group Limited

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By: _____

Name: Kevin Mogg

Title: Director

MESL HOLDINGS LIMITED

MESL Microwave Limited

By: _____

Name: John Cain Little

Title: Director

The Hymatic Group Limited

By: _____

Name: Jonathan Michael Turner

Title: Director

JPMORGAN CHASE BANK, N.A., as
Administrative Agent,

By: _____

Name: Gene Riego de Dios
Title: Executive Director

Schedule I to the
the Global Intercompany Note Pledge Agreement

PLEDGED DEBT SECURITIES

The Global Intercompany Note.

Exhibit I to
the Global Intercompany Note Pledge Agreement

SUPPLEMENT NO. ___ dated as of [] (this “Supplement”), to the Global Intercompany Note Pledge Agreement dated as of September 27, 2018 (this “Agreement”), among the Lux Borrower (as defined below), LuxCo 1 (as defined below), LuxCo 2 (as defined below), Garrett Holding Company SÀRL, New Honeywell Switzerland Holding SÀRL, the Swiss Borrower (as defined below), Hymatic Aerospace Limited, Hymatic Industrial Products Limited, Garrett Transportation Systems Ltd, Garrett Transportation Systems UK II Ltd, Garrett Turbo Ltd, Garrett TS Ltd, MESL Holdings Limited, MESL Microwave Limited, The Hymatic Group Limited and the other Loan Parties from time to time party hereto (each a “Grantor” and together the “Grantors”), and JPMorgan Chase Bank, N.A. (“JPMCB”) (in such capacity, the “Administrative Agent”).

A. Reference is made to the Credit Agreement dated as of September 27, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among GARRETT MOTION INC., a Delaware corporation (“Holdings”), GARRETT ASASCO INC., a Delaware corporation (“U.S. HoldCo”), GARRETT LX I S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225642 (“LuxCo 1”), GARRETT LX II S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225679 (“LuxCo 2”), the GARRETT LX III S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies’ Register under number B225716 (the “Lux Borrower”) (together with U.S. HoldCo, LuxCo 1 and LuxCo 2, collectively, the “Intermediate HoldCos” and individually, an “Intermediate HoldCo”), the GARRETT BORROWING LLC, a Delaware limited liability company (the “U.S. Co-Borrower” and together with the Lux Borrower, the “Tranche B Term Borrowers”) and HONEYWELL TECHNOLOGIES Sàrl, a limited liability company (*société à responsabilité limitée*) organized under the laws of Switzerland (the “Swiss Borrower”) (together with the Tranche B Term Borrowers, the “Borrowers”), the Lenders and Issuing Banks from time to time party thereto and JPMCB, as Administrative Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Global Intercompany Note Pledge Agreement, as applicable.

C. The Grantors have entered into the Global Intercompany Note Pledge Agreement in order to induce the Lenders and the Issuing Banks to make extensions of credit under the Credit Agreement. Section 7.13 of the Global Intercompany Note Pledge Agreement provides that additional Restricted Subsidiaries of Holdings may become Grantors under the Global Intercompany Note Pledge Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Restricted Subsidiary (the “New Grantor”) is

executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Global Intercompany Note Pledge Agreement in order to induce the Lenders and the Issuing Banks to make additional extensions of credit and as consideration for such extensions of credit previously made.

Accordingly, the Administrative Agent and the New Grantor agree as follows:

SECTION 1. In accordance with Section 7.13 of the Global Intercompany Note Pledge Agreement, the New Grantor by its signature below becomes a Grantor under the Global Intercompany Note Pledge Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby (a) agrees to all the terms and provisions of the Global Intercompany Note Pledge Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Global Intercompany Note Pledge Agreement), does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in all of the New Subsidiary's right, title and interest in, to and under the Pledged Collateral (as defined in the Global Intercompany Note Pledge Agreement) of the New Grantor. Each reference to a "Grantor" in the Global Intercompany Note Pledge Agreement shall be deemed to include the New Grantor. The Global Intercompany Note Pledge Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. Notwithstanding anything to the contrary in the Global Intercompany Note Pledge Agreement, the obligations of the New Grantor (and any other additional Grantor organized in *[indicate jurisdiction of New Grantor]*) and the rights of the Administrative Agent against the New Grantor under the Global Intercompany Note Pledge Agreement shall be subject to the limitations attached hereto in Schedule II and such limitations shall be deemed to amend and supplement Section 7.19 of the Global Intercompany Note Pledge Agreement.

SECTION 4. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received a counterpart of this Supplement that bears the signature of the New Grantor and the Administrative Agent has executed a counterpart hereof. Delivery of an executed signature page to this Supplement by facsimile or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Supplement.

SECTION 5. The New Grantor hereby represents and warrants that set forth on Schedule I attached hereto is a true and correct schedule of all the Pledged Securities of the New Grantor.

SECTION 6. Except as expressly supplemented hereby, the Global Intercompany Note Pledge Agreement shall remain in full force and effect.

SECTION 7. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 8. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Global Intercompany Note Pledge Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 9. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Global Intercompany Note Pledge Agreement.

SECTION 10. The New Grantor agrees to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, as provided in Section 9.03 of the Credit Agreement; provided that each reference therein to “Holdings” or the “Borrowers” shall be deemed to be a reference to the New Grantor.

IN WITNESS WHEREOF, the New Grantor and the Administrative Agent have duly executed this Supplement to the Global Intercompany Note Pledge Agreement as of the day and year first above written.

[NAME OF NEW GRANTOR],

by

Name:

Title:

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

by

Name:

Title:

Schedule I
to Supplement No. ___ to
the Global Intercompany Note Pledge Agreement

PLEDGED SECURITIES

Debt Securities

<u>Issuer</u>	Principal <u>Amount</u>	<u>Date of Note</u>	<u>Maturity Date</u>
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Schedule II
to Supplement No. ___ to
the Global Intercompany Note Pledge Agreement

Limitations to Security

[To be provided as necessary]