



Registration of a Charge

Company name: **FRONERI INTERNATIONAL LIMITED**

Company number: **05777981**

Received for Electronic Filing: **17/02/2020**



Details of Charge

Date of creation: **14/02/2020**

Charge code: **0577 7981 0023**

Persons entitled: **CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, 11 MADISON AVENUE, NEW YORK, NY 10010, UNITED STATES AS SECURITY AGENT (AS TRUSTEE FOR EACH OF THE SECURED PARTIES)**

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:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5777981

Charge code: 0577 7981 0023

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th February 2020 and created by FRONER INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th February 2020 .

Given at Companies House, Cardiff on 18th February 2020

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

PLEDGE AND SECURITY AGREEMENT

This **PLEDGE AND SECURITY AGREEMENT**, dated as of February 14, 2020 (this "**Agreement**"), is entered into by and among Froneri US, Inc., a Delaware corporation ("**Froneri US**"), Froneri International Limited, a company incorporated in England and Wales with registration number 05777981 ("**Froneri UK**"), each Additional Grantor (as defined herein) from time to time party hereto, and Credit Suisse AG, Cayman Islands Branch, as security agent for the Secured Parties (in such capacity, the "**Security Agent**").

RECITALS

- (1) Froneri US, Froneri UK and Froneri Lux Finco S.À R.L., a company incorporated in Luxembourg (collectively, the "**Original Borrowers**"), the other obligors party thereto from time to time, the financial institutions party thereto from time to time as lenders, Credit Suisse AG, Cayman Islands Branch, as agent (in such capacity, the "**Senior Agent**"), and the Security Agent are parties to a Senior Facilities Agreement dated as of January 29, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms, the "**Senior Facilities Agreement**").
- (2) The Original Borrowers, the other obligors party thereto from time to time, the financial institutions party thereto from time to time as lenders, Credit Suisse AG, Cayman Islands Branch, as second lien agent (in such capacity, the "**Second Lien Agent**"), and the Security Agent are parties to a Second Lien Facility Agreement dated as of January 29, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms, the "**Second Lien Facility Agreement**").
- (3) Pursuant to the terms of the Senior Facilities Agreement and the Second Lien Facility Agreement, each Grantor is required to execute and deliver this Agreement.

In consideration of the premises and for other valuable consideration, the receipt and sufficiency of which the parties hereto hereby acknowledge, each of the Grantors and the Security Agent, on behalf of itself and each other Secured Party (and each of their respective successors or permitted assigns), hereby agree as follows:

SECTION 1 DEFINITIONS; RULES OF INTERPRETATION

Section 1.1 Definition of Terms Used Herein

Unless the context otherwise requires, all capitalized terms used but not defined herein have the meanings set forth in the Senior Facilities Agreement and/or the Second Lien Facility Agreement and/or the Intercreditor Agreement (as defined below) (as applicable).

Section 1.2 UCC

Terms used herein that are defined in the UCC but not defined herein have the meanings given to them in the UCC, including the following which are capitalized herein:

Account	Chattel Paper	Deposit Account
Account Debtor	Commercial Tort Claim	Document
Certificated Security	Commodity Account	Equipment

Financial Asset	Inventory	Record
Fixtures	Investment Property	Securities Account
General Intangible	Letter-of-Credit Right	Security
Goods	Proceeds	Supporting Obligation
Instrument	Promissory Note	

Section 1.3 General Definitions

In this Agreement:

"Acceleration Event" has the meaning given to that term in the Intercreditor Agreement, other than a Topco Lender Acceleration Event or a Topco Notes Acceleration Event (except to the extent such Topco Lender Acceleration Event or Topco Notes Acceleration Event arises in respect of Topco Notes Liabilities or Topco Facility Liabilities (as applicable) secured by Topco Shared Security (as defined in the Intercreditor Agreement)).

"Additional Grantor" has the meaning assigned to that term in Section 5.2.

"Agreement" has the meaning assigned to that term in the Preamble.

"All-Assets Collateral" has the meaning assigned to such term in Section 2.1(a) and excludes all Excluded Property (subject to the final proviso of Section 2.2(a)).

"Bankruptcy Code" has the meaning given to the term "U.S. Bankruptcy Code" in the Intercreditor Agreement.

"Bankruptcy Laws" means the Bankruptcy Code and all other bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

"Capital Stock" has the meaning assigned to such term in the definition of Equity Interests.

"Cash" means money, currency or a credit balance in a Deposit Account.

"Copyrights" means all United States and foreign copyrights and all mask works fixed in semiconductor chip products (as defined in 17 U.S.C. § 901(a)(1)), whether registered or unregistered and whether published or unpublished, now or hereafter in force throughout the world, all registrations and applications therefor, all rights and privileges corresponding thereto throughout the world, whether as author, assignee, transferee or otherwise, all registrations and applications for registration, including extensions, continuations, reissues and renewals of any thereof, the right to sue for past, present and future infringements of any of the foregoing, and all Proceeds of the foregoing, including, with respect to the foregoing, Proceeds from licenses, royalties, fees, income, payments, claims, damages and Proceeds of suit, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office.

"Dividends" means, in relation to any Equity Interests, all present and future: (a) dividends and distributions of any kind, together with principal, interest and any other sum, in each case received or receivable in respect of such Equity Interests, (b) rights, Equity Interests, Instruments, Cash or

other assets accruing or offered by way of redemption, substitution, exchange, bonus, option, preference or otherwise in respect of such Equity Interests, (c) warrants, allotments, offers and rights accruing or offered in respect of such Equity Interests and (d) other Proceeds, rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, such Equity Interests.

"Equity Interests" means shares of capital stock (whether denominated as common stock or preferred stock), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity (collectively, the **"Capital Stock"**) (together with all related rights under any shareholders agreement, operating agreement, partnership agreement or analogous agreement in respect thereof), whether voting or non-voting, including, without limitation, all Dividends, depositary shares, capital and other accounts with respect to any Equity Interests and all income, gain, loss, deductions and credits allocated or allocable to such accounts, and all management rights, voting rights, rights as and to become a member of any limited liability company and partner of any partnership and participate in the management of the business and affairs of or otherwise control such limited liability company and partnership, and all rights to subscribe for, purchase or otherwise acquire any Equity Interests, and all certificates, instruments or other documents (if any) evidencing or representing same.

"Excluded Deposit Account" means any Deposit Account used exclusively for payroll, payroll taxes and other employee wage and benefit payments or trust accounts.

"Excluded Property" has the meaning assigned to such term in Section 2.2.

"Final Discharge Date" has the meaning given to that term in the Intercreditor Agreement (other than the Topco Discharge Date (as defined in the Intercreditor Agreement)).

"Grantor" means each U.S. Grantor and each Non-U.S. Grantor (including, for the avoidance of doubt, any Additional Grantor).

"Insurance" means all contracts and policies of insurance of any kind now or in the future taken out by (or by a member of the Group on behalf of) any Grantor or (to the extent of such Grantor's interest) in which it now or in the future has an interest, but excluding (x) any contract or policy relating to third party liability and (y) any contract or policy taken out by a Grantor on behalf of or for the benefit of a third party.

"Intellectual Property" means, collectively, the Copyrights, the Patents and the Trademarks.

"Intellectual Property Licenses" means, collectively, any and all written agreements providing for the granting of any right in or to any Intellectual Property (whether a Grantor is licensee or licensor thereunder).

"Intercreditor Agreement" means that certain intercreditor agreement, dated as of January 29, 2020, as amended, amended and restated, supplemented or otherwise modified from time to time, among, *inter alios*, the Original Borrowers as intra-group lenders and debtors, the other obligors party thereto from time to time, the lenders party thereto from time to time, the Senior Agent, the Second Lien Agent and the Security Agent.

"Joinder Agreement" means a joinder agreement, substantially in the form of Exhibit A to this Agreement, executed by an Additional Grantor and delivered to the Security Agent.

"Joint Venture" means a joint venture, partnership or other similar arrangement, whether in corporate, general or limited partnership, limited liability company or other legal form.

"Non-U.S. Grantor" means Froneri UK and each additional entity that hereafter becomes a party hereto as a Non-U.S. Grantor pursuant to a Joinder Agreement.

"Non-U.S. Grantor Collateral" has the meaning assigned to such term in Section 2.1(b) and excludes all Excluded Property (subject to the final proviso of Section 2.2(a)).

"Original Borrowers" has the meaning assigned to that term in the Preamble.

"Party" means a party to this Agreement.

"Patents" means all United States and foreign patents and applications therefor throughout the world, all reissues, divisionals, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing, all rights and privileges corresponding thereto throughout the world, the right to sue for past, present and future infringements of any of the foregoing, and all Proceeds of the foregoing, including, with respect to the foregoing, Proceeds from licenses, royalties, fees, income, payments, claims, damages, and suit.

"Pledged Collateral" means, collectively the Pledged Notes and the Pledged Equity. Pledged Collateral may be General Intangibles, Investment Property, Instruments or any other category of Collateral.

"Pledged Equity" means the Equity Interests owned by any Grantor in any wholly-owned Subsidiary which is an Obligor organized under the laws of the United States, including all shares of Equity Interests listed on Schedule 2. For the avoidance of doubt, Pledged Equity shall not include Excluded Property (subject to the final proviso of Section 2.2(a)).

"Pledged Notes" means all of any Grantor's right, title and interest in each Promissory Note or other Instrument evidencing Indebtedness in excess of \$10,000,000 owed to such Grantor by an Obligor solely to the extent constituting on-lending of any Term Loan proceeds, including those Instruments listed on Schedule 2. For the avoidance of doubt, Pledged Notes shall not include Excluded Property (subject to the final proviso of Section 2.2(a)).

"Relevant Agreement" means any lease, license, contract, permit, Instrument, Security, franchise or other agreement to which any Grantor is a party, together with such Grantor's rights or interests thereunder (including, for purposes of Section 2.2(a)(iii), any asset in which such Grantor has acquired rights or interests pursuant thereto).

"Second Lien Agent" has the meaning assigned to that term in the Preamble.

"Second Lien Creditors" has the meaning assigned to that term in the Intercreditor Agreement.

"Second Lien Discharge Date" has the meaning assigned to that term in the Intercreditor Agreement.

"Second Lien Facility Agreement" has the meaning assigned to that term in the Preamble.

"Second Lien Liabilities" has the meaning assigned to that term in the Intercreditor Agreement.

"Secured Debt Documents" has the meaning given to that term in the Intercreditor Agreement, other than the Topco Finance Documents (as defined in the Intercreditor Agreement).

"Secured Obligations" means all Liabilities and all other present and future obligations at any time due, owing or incurred by any member of the Group and by each Debtor and any Third Party Security Provider to any Secured Party (other than a Topco Creditor) under the Secured Debt Documents (other than the Topco Finance Documents) including to the Security Agent under the Parallel Debt pursuant to clause 19.5 (*Parallel Debt (Covenant to Pay the Security Agent)*) of the Intercreditor Agreement, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity, (and shall in no event include any Excluded Swap Obligations).

"Secured Parties" has the meaning given to that term in the Intercreditor Agreement, other than the Topco Creditors (as defined in the Intercreditor Agreement).

"Security Agent" has the meaning assigned to that term in the Preamble.

"Security Interest" means the continuing security interest in the Collateral granted to the Security Agent for the benefit of the Secured Parties pursuant to Section 2.1.

"Senior Agent" has the meaning assigned to that term in the Recitals.

"Senior Facilities Agreement" has the meaning assigned to that term in the Recitals.

"Senior Secured Creditors" has the meaning assigned to that term in the Intercreditor Agreement.

"Senior Secured Discharge Date" has the meaning assigned to that term in the Intercreditor Agreement.

"Senior Secured Liabilities" has the meaning assigned to that term in the Intercreditor Agreement.

"Trade Secrets" means all trade secrets, and all other confidential or proprietary information and know-how protectable by applicable law, now or hereafter owned or used in, or contemplated for use in, the business of any Grantor, whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating or referring in any way to such Trade Secret, the right to sue for past, present and future infringement of any Trade Secret, and all Proceeds of the foregoing, including Proceeds from licenses, royalties, fees, income, payments, claims, damages and suit.

"Trademarks" means all United States and foreign trademarks, trade names, corporate names, company names, business names, fictitious business names, internet domain names, trade dress, service marks, certification marks, collective marks and logos, words, terms, names, symbols, designs and general intangibles of a like nature, in each case that are source or business identifiers and any other source or business identifiers, all registrations and applications for any of the foregoing, all extensions, continuations, reissues or renewals of any of the foregoing, all of the goodwill of the business connected with the use of and symbolized by the foregoing, the right to sue for past, present and future infringement or dilution of any of the foregoing or for any injury to goodwill, and all Proceeds of the foregoing, including Proceeds from licenses, royalties, fees, income, payments, claims, damages and suit.

"UCC" means the Uniform Commercial Code enacted in the State of New York, as in effect from time to time; **provided that** if by reason of mandatory provisions of law, the attachment,

perfection, the effect of perfection or non-perfection, priority of a security interest or remedy is governed by the personal property security laws of any jurisdiction other than New York, "UCC" shall mean those personal property security laws as in effect, from time to time, in such other jurisdiction for the purposes of the provisions hereof relating to such attachment, perfection, priority or remedy and for the definitions related to such provisions.

"United States" means the United States of America, any state or commonwealth thereof or the District of Columbia.

"U.S. Grantor" means Froneri US and each additional entity that hereafter becomes a party hereto as a U.S. Grantor pursuant to a Joinder Agreement.

"U.S. Person" means a "United States Person" as defined in § 7701(a)(30) of the United States Internal Revenue Code of 1986 (26 U.S.C. §§ 1 et seq.).

"U.S. Securities Laws" means the Securities Act of 1933, applicable Blue Sky laws or other federal or state securities laws or similar laws analogous in purpose or effect.

"Vehicle" means any vehicle or any other asset covered by a certificate of title law of any jurisdiction under the law of which indication of a Security Interest on such certificate is required as a condition of perfection thereof.

Section 1.4 Rules of Interpretation; Rules of Construction

- (a) The rules of construction set forth in Section 1.2 of the Intercreditor Agreement apply equally to this Agreement, *mutatis mutandis*.
- (b) If any conflict or inconsistency exists between this Agreement and the Senior Facilities Agreement and/or the Second Lien Facility Agreement, the Senior Facilities Agreement and/or the Second Lien Facility Agreement (as applicable) shall govern. In the case of any conflict between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall govern. If any conflict or inconsistency exists between this Agreement and any other Secured Debt Document other than the Senior Facilities Agreement, the Second Lien Facility Agreement and/or the Intercreditor Agreement, this Agreement shall govern.
- (c) Notwithstanding anything to the contrary in this Agreement but without prejudice to the creation or perfection of any security interest under this Agreement, the terms of this Agreement shall not operate or be construed so as to prohibit or restrict any transaction, matter or other step (or the relevant Grantor taking or entering into the same or dealing in any manner whatsoever in relation to any asset (including all rights, claims, benefits, proceeds and documentation, and contractual counterparties in relation thereto)) not prohibited by the Debt Documents (as defined in the Intercreditor Agreement) (other than this Agreement), and the Security Agent shall promptly enter into such documentation and/or take such other action in relation to this Agreement as is required by such Grantor (acting reasonably) in order to facilitate any such transaction, matter or other step, including, but not limited to, by way of executing any confirmation, consent to dealing, release or other similar or equivalent document.
- (d) Whenever the context may require, any pronoun will include the corresponding masculine, feminine and neuter forms. The word "will" will be construed to have the same meaning

and effect as the word "shall." The word "permitted" will be construed as including any circumstance, event, matter or thing which is not expressly prohibited. Unless the context requires otherwise (i) any reference herein to any Person will be construed to include such Person's successors and permitted assigns, (ii) the words "herein," "hereof" and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iii) all references herein to Sections, Exhibits and Schedules will be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement, (iv) any reference to any law or regulation herein will, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time and (v) the words "asset" and "property" will be construed to have the same meaning and effect. The definitions of terms herein apply equally to the singular and plural forms of the terms defined. The words "include," and "includes" will be deemed to be followed by the phrase "without limitation." Unless the context requires otherwise any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, amendments and restatements, supplements or modifications set forth herein).

- (e) "Payment in full" of the Secured Obligations shall mean the Senior Secured Discharge Date in respect of the Senior Secured Liabilities or, as applicable, the Second Lien Discharge Date in respect of the Second Lien Liabilities.

SECTION 2 GRANT OF SECURITY

Section 2.1 Grant of Security

- (a) As security for the payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all (i) Secured Obligations in respect of Senior Secured Liabilities, each U.S. Grantor hereby pledges, collaterally assigns and grants to the Security Agent, for its benefit and for the benefit of the Secured Parties (other than the Second Lien Creditors), a continuing security interest in and Lien on, and (ii) Secured Obligations in respect of Second Lien Liabilities, each U.S. Grantor hereby pledges collaterally assigns and grants to the Security Agent, for its benefit and for the benefit of the Secured Parties (other than the Senior Secured Creditors), a continuing security interest, in and Lien on, all of its right, title and interest in, to and under the following property (other than Excluded Property, subject to the final proviso of Section 2.2(a)), in each case whether now owned or hereafter acquired or existing and wherever located (collectively, the "**All-Assets Collateral**"):
 - (i) all Accounts;
 - (ii) all Chattel Paper;
 - (iii) all Documents;

- (iv) all General Intangibles, including all Intellectual Property, Intellectual Property Licenses and that portion of the Pledged Collateral constituting General Intangibles;
 - (v) all Goods and personal property of such Grantor, whether tangible or intangible, wherever located, including Inventory, Equipment, Fixtures, Cash and Letter-of-Credit Rights;
 - (vi) all Instruments, including that portion of the Pledged Collateral constituting Instruments;
 - (vii) all Deposit Accounts;
 - (viii) all Insurance;
 - (ix) all Investment Property, including all Securities Accounts and Commodity Accounts (together with all Financial Assets held therein and all certificates and Instruments, if any, representing or evidencing such Securities Accounts and Commodity Accounts) and/or Pledged Collateral constituting Investment Property;
 - (x) all Pledged Equity;
 - (xi) all Commercial Tort Claims;
 - (xii) all books and Records pertaining to the property described in this Section 2.1;
 - (xiii) to the extent not otherwise included, all (i) Cash or other personal property of any kind received by such Grantor in connection with refunds with respect to taxes, assessments and governmental charges imposed on such Grantor or any of its property or income, and (ii) causes of action, and all Cash and other personal property of any kind received therefrom, and all Cash and other property of any kind recovered by any Grantor;
 - (xiv) to the extent not otherwise included, all Supporting Obligations relating to any of the foregoing; and
 - (xv) to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of or in respect of any of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to any Grantor from time to time with respect to the foregoing.
- (b) As security for the payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all (i) Secured Obligations in respect of Senior Secured Liabilities, each Non-U.S. Grantor hereby pledges, collaterally assigns and grants to the Security Agent, for its benefit and for the benefit of the Secured Parties (other than the Second Lien Creditors), a continuing security interest in and Lien on, and (ii) Secured Obligations in respect of Second Lien Liabilities, each Non-U.S. Grantor hereby pledges collaterally assigns and grants to the Security Agent, for its benefit and for the benefit of the Secured Parties (other than the Senior Secured Creditors), a continuing security interest in and Lien on, all of the Pledged Equity owned by such Non-U.S. Grantor, whether now owned or hereafter acquired or existing and wherever located, but excluding

any Excluded Property (subject to the final proviso of Section 2.2(a)) (collectively, the “**Non-U.S. Grantor Collateral**” and, together with the All-Assets Collateral, the “**Collateral**”). Notwithstanding any provision herein to the contrary, (i) the grant of security interests by any Non-U.S. Grantor hereunder shall be limited to the Non-U.S. Grantor Collateral and (ii) all representations, warranties, covenants and other provisions hereof shall apply a Non-U.S. Grantor only with respect to the Non-U.S. Grantor Collateral of such Non-U.S. Grantor.

Section 2.2 Certain Exclusions

Notwithstanding anything herein to the contrary,

- (a) in no event will the Collateral include, and no Grantor will be deemed to have granted a security interest in, any of its right, title or interest in any and all of the following property (the “**Excluded Property**”):
 - (i) any "intent-to-use" application for registration of a trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051 et. seq. to the extent that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability, or result in the voiding, of such intent-to-use application (or registration that may issue therefrom) under applicable law;
 - (ii) any Excluded Deposit Accounts;
 - (iii) any asset of any Grantor or any lease, license, franchise, charter, authorization, contract or agreement to which any Grantor is a party, together with any rights or interest thereunder, in each case, if and to the extent security interests therein (A) (1) are prohibited by or in violation of any applicable Law, (2) would conflict with the fiduciary or statutory duty of any officer or director of the Grantor, (3) would contravene any applicable legal, regulatory or contractual prohibition or restriction or (4) would have the potential to result in a material risk of personal or criminal liability for any director or officer of or for any member of the Group; *provided, however, that, notwithstanding the foregoing, in the case of items (2), (3) and (4), the applicable Grantor shall use commercially reasonable efforts for twenty (20) Business Days (unless such actions could or are reasonably expected to (a) adversely affect the commercial reputation or interest of the Grantor or if taking such actions would place commercial relationships with third parties in jeopardy, (b) cause the Group to incur material costs or (c) adversely affect its ability to conduct its operations and business in the ordinary course as otherwise permitted or not prohibited by each of the Secured Debt Financing Agreements) to overcome such obstacles to the grant of security over such asset hereunder (it being understood that such Grantor's obligation to use commercially reasonable efforts shall terminate after the end of such twenty Business Day period), (B) require any governmental consent that has not been obtained or consent of a third party that is not a Grantor or an Affiliate of a Grantor that has not been obtained pursuant to any contract or agreement binding on such asset at the time of its acquisition and not entered into in contemplation of such acquisition or (C) in the case of any lease, license, franchise, charter, authorization, contract or agreement (or any asset governed by the terms thereof), (x) is prohibited by or in violation of a term,*

provision or condition of any such lease, license, franchise, charter, authorization, contract or agreement to which such Grantor is a party, (y) would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations with respect to any member of the Group in respect of the asset or any such lease, license, franchise, charter, authorization, contract or agreement, or (z) would require the relevant Grantor to take any action materially adverse to the interests of HoldCo, the Group or any member thereof, except, in the case of each of the foregoing clauses (A), (B) and (C), to the extent that such prohibition or restriction would be rendered ineffective under the UCC or other applicable Law or principle of equity; *provided, however*, that, notwithstanding the foregoing, if the relevant asset is material and if the Security Agent so requests in writing prior to the date hereof (or with respect to any Additional Grantor, prior to the date of the applicable Joinder Agreement), the applicable Grantor shall use commercially reasonable efforts for twenty (20) Business Days after such written request from the Security Agent to (solely to the extent the Obligors' Agent is satisfied that such efforts will not involve placing relationships with third parties in jeopardy) obtain all requisite consents to the grant of security over such asset hereunder (it being understood that such Grantor's obligation to use commercially reasonable efforts shall terminate after the end of such twenty Business Day period); *provided, further*, that the Collateral shall include such asset (and the applicable Security Interest shall attach) at such time as the contractual or legal prohibition shall no longer be applicable and to the extent severable, shall attach to any portion of such asset, lease, license, franchise, charter, authorization, contract or agreement not subject to the prohibitions specified in clauses (A), (B) or (C) above (in each case, after giving effect to the applicable anti-assignment provisions of the UCC or other applicable law);

- (iv) any Vehicles;
- (v) any fee-owned real property and any real property leasehold interest,
- (vi) any hedging agreement;
- (vii) any assets sold pursuant to a Qualified Receivables Financing or similar receivables financings or factoring arrangements, in each case, to the extent not prohibited by the Senior Facilities Agreement and the Second Lien Facilities Agreement;
- (viii) any cash constituting regulatory capital or customer cash;
- (ix) any Equity Interests in (i) in the case of a loan or other obligation of any Borrower or Guarantor that is a "United States person" (as defined in Section 7701(a)(30) of the Code) under any Secured Debt Document or any loan or other obligation under Facility B2, any CFC or FSHCO in excess of 65% of the voting shares (with respect to voting Equity Interests) and/or 100% of the non-voting shares (with respect to non-voting Equity Interests) of such CFC or FSHCO, (ii) any entity that is not an Obligor, (iii) any entity that is not formed, incorporated or organized under the laws of the United States, (iv) any entity that is a Joint Venture or is otherwise

not wholly-owned by the applicable Grantor, (v) any not-for-profit entity, (vi) any captive insurance subsidiary or (vii) any special purpose vehicle;

- (x) any Margin Stock;
- (xi) in the case of a loan or other obligation of any Borrower or Guarantor that is a "United States person" (as defined in Section 7701(a)(30) of the Code) under any Secured Debt Document or any loan or other obligation under Facility B2, assets of a CFC, FSHCO or a subsidiary of a CFC or a FSHCO (including any CFC or FSHCO Equity Interests held directly or indirectly by a CFC or FSHCO);
- (xii) assets to the extent a security interest in such assets would result in material adverse tax consequences (including as a result of the operation of Section 956 of the Code or any similar law or regulation in any applicable jurisdiction), in each case, as reasonably determined by the relevant Grantor (acting reasonably and in good faith);
- (xiii) any other assets where the cost of obtaining a security interest in, or perfection of a security interest in, such assets exceeds the practical benefit to the Secured Parties afforded thereby (as reasonably determined by the relevant Grantor);
- (xiv) [reserved]; and
- (xv) any assets where obtaining a security interest in, or perfection of a security interest in, such assets would have a material adverse effect on the ability of the Grantor to conduct its operations and business in the ordinary course as otherwise permitted by the Debt Documents (including dealing with the secured assets and all contractual counterparties or amending, waiving or terminating (or allowing to lapse) any rights, benefits or obligations, in each case prior to an Acceleration Event which is continuing);

provided that Excluded Property shall not include any proceeds, substitutions or replacements of any Excluded Property referred to in clauses (i) through (xv) above unless such proceeds, substitutions or replacements would otherwise constitute Excluded Property referred to in clauses (i) through (xv) above.

- (b) The Secured Obligations will be subject to the relevant fraudulent transfer limitation provisions of the applicable Secured Debt Documents.
- (c) None of the representations, warranties, covenants or any other provisions herein shall be deemed to apply to any Excluded Property.

Section 2.3 Grantors Remain Liable

Anything contained herein to the contrary notwithstanding:

- (a) each Grantor will remain liable under any Relevant Agreement included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed; and

- (b) the exercise by the Security Agent of any of its rights hereunder will not release any Grantor from any of its duties or obligations under any Relevant Agreement included in the Collateral.

SECTION 3

REPRESENTATIONS AND WARRANTIES

Each Grantor represents and warrants to the Security Agent and the other Secured Parties on and as of the date of this Agreement that:

Section 3.1 Title

Such Grantor owns or otherwise has rights in all assets constituting its Collateral, free and clear of any and all Liens, rights or claims of all other Persons, other than Permitted Liens.

Section 3.2 Names, Locations

Schedule 1 sets forth with respect to such Grantor (i) its exact name, as such name appears in the public record of its jurisdiction of organization which shows such Grantor to have been organized, (ii) the jurisdiction of organization of such Grantor and (iii) the address of the principal place of business or chief executive office, as applicable, of such Grantor.

Section 3.3 Pledged Collateral

Schedule 2 sets forth all of the Pledged Equity constituting Capital Stock and all of the Pledged Notes, in each case, owned by such Grantor.

SECTION 4

COVENANTS

Section 4.1 Change of Name, Location or Place of Business

If any Grantor changes its name or jurisdiction of organization (or, solely with respect to a Non-U.S. Grantor for which a UCC-1 financing statement would be required to be filed as a result of such change, its chief executive office or principal place of business) from that set forth on Schedule 1, such Grantor shall notify the Security Agent of such change as soon as reasonably practicable thereafter and in any event within sixty (60) days of such change.

Section 4.2 Pledged Collateral; Pledged Accounts

- (a) With respect to (x) any Pledged Note held by a U.S. Grantor on the date of this Agreement, such U.S. Grantor will cause such Pledged Note to be delivered to the Security Agent pursuant to the terms hereof within ten (10) Business Days following the date of this Agreement (or such later date as the Security Agent may agree in its reasonable discretion), duly indorsed in blank to the Security Agent, and (y) any Pledged Note arising after the date hereof, such U.S. Grantor will cause such Pledged Note, duly indorsed in blank to the Security Agent, to be delivered to the Security Agent within ten (10) Business Days (or such later date as the Security Agent may agree in its reasonable discretion) after the written request of the Security Agent (provided, that absent an Acceleration Event that has occurred and is continuing, the Security Agent shall not make any such request more than once per year).

- (b) With respect to (x) any Pledged Equity of a Grantor constituting Certificated Securities owned by such Grantor as of the date of this Agreement, such Grantor will deliver or cause to be delivered to the Security Agent all such Certificated Securities, together with stock powers or other instruments of transfer duly executed in blank, within ten (10) Business Days following the date of this Agreement (or such later date as the Security Agent may agree in its reasonable discretion) and (y) any Pledged Equity of a Grantor constituting Certificated Securities that are acquired or pledged after the date hereof, such Grantor will deliver or cause to be delivered to the Security Agent all such Certificated Securities, together with stock powers or other instruments of transfer duly executed in blank, on or prior to the 60th day after the end of the fiscal quarter in which such Certificated Securities were acquired (or such later date as the Security Agent may agree in its reasonable discretion). Notwithstanding the foregoing, if an Acceleration Event has occurred and is continuing, such Certificated Securities together with stock powers or other instruments of transfer duly executed in blank shall be delivered to the Security Agent within ten (10) Business Days after the written request of the Security Agent.
- (c) **Voting and Distributions**
- (i) So long as no Acceleration Event has occurred and is continuing:
- (A) except as otherwise provided in this Section 4.2, each Grantor will be entitled to exercise or refrain from exercising any and all voting and other consensual rights pertaining to the Pledged Collateral of such Grantor for any purpose; **provided, however, that** such Grantor will not be entitled to exercise any such right if the result thereof could adversely affect the validity or enforceability of the Security Agent's Security Interest herein or cause an Event of Default to occur;
- (B) to the extent needed by any Grantor to exercise rights with respect to Pledged Collateral of such Grantor or to receive Dividends with respect thereto (to the extent such receipt is permitted under clause (c)(i)(C) below), the Security Agent will promptly execute and deliver (or cause to be executed and delivered) to each Grantor all proxies and other instruments as such Grantor may from time to time reasonably request for the purpose of enabling such Grantor to exercise the voting and other consensual rights when and to the extent that it is entitled to exercise the same pursuant to clause (c)(i)(A) above and to receive the Dividends that it is entitled to receive pursuant to clause (c)(i)(C) below; and
- (C) each Grantor will be entitled to receive and retain any and all Dividends (except as set forth below).
- (ii) During the continuance of an Acceleration Event, subject to Clause 28.5(c) of the Senior Facilities Agreement and Clause 25.4(b) of the Second Lien Facility Agreement, after written notice from the Security Agent to the applicable Grantor:
- (A) all rights of the Grantors to exercise or refrain from exercising the voting and other consensual rights that they would otherwise be entitled to exercise pursuant hereto will cease and all such rights will thereupon

become vested in the Security Agent, who will thereupon have the sole right to exercise such voting and other consensual rights; **provided that**, subject to the terms of the Secured Debt Documents, the Security Agent will have the right from time to time following the occurrence of an Acceleration Event which is continuing to permit the Grantors to exercise such rights;

- (B) in order to permit the Security Agent to exercise the voting and other consensual rights that it may be entitled to exercise pursuant hereto and to receive all Dividends that it may be entitled to receive hereunder: (1) the Grantors will promptly execute and deliver (or cause to be executed and delivered) to the Security Agent all proxies, Dividend payment orders and other instruments as the Security Agent may from time to time reasonably request and (2) each Grantor acknowledges that the Security Agent may utilize the power of attorney set forth in Section 6.1; and
 - (C) all rights of the Grantors to Dividends that any Grantor is authorized to receive pursuant to clause (c)(i)(C) above will cease, and all such rights will thereupon become vested in the Security Agent, which will have the sole and exclusive right and authority to receive and retain such Dividends.
- (iii) After an Acceleration Event is no longer continuing each Grantor will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise and to receive Dividends that it would otherwise be entitled to receive, in each case pursuant to the terms of clause (c)(i) above.

SECTION 5

FINANCING STATEMENTS; ADDITIONAL GRANTORS

Section 5.1 Financing Statements, etc.

- (a) Each Grantor authorizes the Security Agent to prepare and file, at such Grantor's expense (to the extent required by Clause 22 (*Costs and Expenses*) of the Intercreditor Agreement):
 - (i) financing statements describing the Collateral;
 - (ii) continuation statements; and
 - (iii) any amendment in respect of the foregoing statements, including, for the avoidance of doubt, in each case, statements and amendments with respect to the Security Interest granted for the benefit of the Secured Parties (other than the Second Lien Creditors) and the Security Interest granted for the benefit of the Secured Parties (other than the Senior Secured Creditors).
- (b) Each U.S. Grantor expressly authorizes the Security Agent, if it so elects, to file financing statements in the appropriate office with the collateral description "all assets of such U.S. Grantor, whether now or hereinafter acquired", "all personal property of such U.S. Grantor, whether now or hereinafter acquired" or other words to that effect.

- (c) Each Non-U.S. Grantor expressly authorizes the Security Agent, if it so elects, to file financing statements in the appropriate office with the collateral description "all equity interests of each U.S. subsidiary held by such Non-U.S. Grantor, whether now or hereinafter acquired" or other words to that effect.
- (d) Notwithstanding anything herein to the contrary, unless an Acceleration Event shall have occurred and be continuing, no Grantor shall be required to perfect any security interest other than by (i) the filing of UCC financing statements, (ii) delivery of Certificated Securities representing Pledged Equity and (iii) delivery of written Instruments representing Pledged Notes.

Section 5.2 Additional Grantors

From time to time subsequent to the date hereof, additional Persons may become parties hereto as additional Grantors (each, an "**Additional Grantor**") in accordance with the terms of the Secured Debt Documents by executing a Joinder Agreement. Upon delivery of any such Joinder Agreement to the Security Agent, notice of which is hereby waived by Grantors to the extent permitted by applicable laws, each Additional Grantor will be a Non-U.S. Grantor or a U.S. Grantor hereunder, as indicated in the applicable Joinder Agreement, and will be as fully a party hereto as if such Additional Grantor were an original signatory hereto. Each Grantor expressly agrees that its obligations arising hereunder will not be affected or diminished by the addition or release of any other Grantor hereunder, nor by any election of the Security Agent not to cause any Material Subsidiary to become an Additional Grantor hereunder. This Agreement will be fully effective as to any Grantor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Grantor hereunder.

SECTION 6 SECURITY AGENT APPOINTED ATTORNEY-IN-FACT

Section 6.1 Power of Attorney

Each Grantor hereby irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Grantor's true and lawful agent and attorney-in-fact (such appointment coupled with an interest), with full authority in the place and stead of such Grantor and in the name of such Grantor, the Security Agent or otherwise, from time to time in the Security Agent's reasonable discretion solely to the extent that an Acceleration Event shall have occurred and be continuing, to take any action and to execute any instrument that the Security Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, including the following:

- (a) to receive, endorse, assign, collect and deliver any and all notes, acceptances, checks, drafts, Cash orders or other instruments, documents and Chattel Paper or other evidences of payment relating to the Collateral;
- (b) to ask for, demand, collect, sue for, recover, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral;
- (c) to sign the name of such Grantor on any invoice or Document relating to any of the Collateral;
- (d) to send verifications of Accounts to any Account Debtor of such Grantor;

- (e) 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 Collateral or to enforce any rights in respect of any Collateral;
- (f) to settle, compromise, adjust or defend any claims, actions, suits or proceedings relating to all or any of the Collateral;
- (g) to notify, or to require such Grantor to notify, Account Debtors of such Grantor to make payment directly to the Security Agent;
- (h) to make, settle and adjust claims in respect of the Collateral under policies of Insurance, to endorse the name of such Grantor on any check, draft, instrument or other item of payment for the Proceeds of such policies of Insurance and to make all determinations and decisions with respect thereto;
- (i) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral; and
- (j) subject to Section 7.1(a)(v), generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Security Agent were the absolute owner thereof for all purposes, and to do, at the Security Agent's option and such Grantor's expense, at any time or from time to time, all acts and things that the Security Agent deems reasonably necessary to protect, preserve or realize upon the Collateral and the Security Agent's Security Interest therein in order to effect the intent of this Agreement, all as fully and effectively as such Grantor might do;

SECTION 7 REMEDIES

Section 7.1 Remedies Upon Acceleration Event

- (a) Upon the occurrence of an Acceleration Event which is continuing, the Security Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or in the Intercreditor Agreement or otherwise available to it at law or in equity, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Collateral) or any other applicable law, and also may pursue any of the following separately, successively or simultaneously:
 - (i) with respect to any Collateral consisting of Intellectual Property or an Intellectual Property License, on demand, cause the Security Interest to become an assignment, transfer and conveyance of any or all of such Collateral by the applicable Grantors to the Security Agent, or to license or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any such Collateral throughout the world on such terms and conditions and in such manner as the Security Agent may determine (other than where such assignment, transfer, conveyance, license or sublicense (i) would constitute a breach or violation of any then-existing Intellectual Property Licenses to the extent that waivers cannot be obtained or (ii) in the case of Trademarks, would impair the validity or result in the abandonment of such Trademarks);

- (ii) require a Grantor to, and each Grantor hereby agrees that it will promptly upon request of the Security Agent, assemble all or part of the Collateral as directed by the Security Agent and make it available to the Security Agent at a place to be designated by the Security Agent that is reasonably convenient to both parties;
 - (iii) with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral and to enter without breach of the peace any premises owned or leased by the Grantors where the Collateral may be located for the purpose of taking possession of or removing the Collateral;
 - (iv) prior to the disposition of the Collateral, store, process, repair or recondition the Collateral or otherwise prepare the Collateral for disposition in any manner to the extent the Security Agent deems appropriate;
 - (v) without notice to the Grantors (except as specified herein), (A) transfer all or any portion of the Pledged Collateral to its name or the name of its nominee or agent and/or (B) exchange any certificates or Instruments representing any Pledged Collateral for certificates or Instruments of smaller or larger denominations;
 - (vi) without prior notice (except as specified herein and otherwise in accordance with the terms of the UCC), sell, assign, lease, license (on an exclusive or non-exclusive basis) or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale or at any broker's board or on any securities exchange, at any of the Security Agent's offices or elsewhere, for Cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as the Security Agent may deem commercially reasonable; **provided that** (i) the Security Agent will be authorized at any such sale (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 Collateral for their own account for investment and not with a view to the distribution or sale thereof, (ii) upon consummation of any such sale the Security Agent will have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold, (iii) each such purchaser at any such sale will hold the property sold absolutely, free from any claim or right on the part of any Grantor, and (iv) each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay, valuation 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;
 - (vii) with respect to any Collateral consisting of Relevant Agreements, the Security Agent may notify or require a Grantor to notify any counterparty to any such Relevant Agreement to make all payments thereunder directly to the Security Agent;
 - (viii) require a Grantor to take any perfection steps with respect to any Collateral as are reasonably requested by the Security Agent.
- (b) In accordance with the terms of the UCC, the Security Agent or any other Secured Party may be the purchaser of any or all of the Collateral at any public sale thereof and the

Security Agent, as security agent for and representative of the Secured Parties, will be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price for any Collateral payable by the Security Agent at such sale.

- (c) Each Grantor hereby waives notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made will be deemed reasonable if sent to Borrower, addressed as set forth in the notice provisions of the Intercreditor Agreement, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. Such notice, in the case of a public sale, will 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, will state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale will be held at such time or times during ordinary business hours and at such place or places as the Security Agent may reasonably fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Security Agent may (in its sole and absolute discretion) determine. The Security Agent will not be obligated to make any sale of any Collateral if it reasonably determines not to do so, regardless of the fact that notice of sale of such Collateral may have been given. The Security 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 Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Security Agent until the sale price is paid by the purchaser or purchasers thereof, but the Security Agent will not incur any liability in case any such purchaser or purchasers fails to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof will be treated as a sale thereof; the Security Agent will be free to carry out such sale pursuant to such agreement and the Grantors will not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Security Agent has entered into such an agreement all Events of Default have been remedied and the Secured Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Security Agent may proceed by a suit or suits at law or in equity to foreclose upon the Collateral and to sell the 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. Each Grantor acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private.

- (d) If the Proceeds of any sale or other disposition of the Collateral are insufficient to pay the entire outstanding amount of the Secured Obligations, the Grantors will be liable for the deficiency and the fees of any attorneys employed by the Security Agent to collect such deficiency. Each Grantor further agrees that a breach of any of the covenants contained in this Section 7.1 may cause irreparable injury to the Security Agent, that the Security Agent has no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 7.1 will be specifically enforceable against the Grantors, and the Grantors hereby waive and agree not to assert any defenses in an action for specific performance of such covenants except for a defense that no default has occurred giving rise to the Secured Obligations becoming due and payable prior to their stated maturities. Nothing in this Section 7.1 will in any way alter the rights of the Security Agent hereunder.
- (e) The Security Agent will have no obligation to marshal any of the Collateral.
- (f) To the extent that applicable law imposes duties on the Security Agent to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees (pursuant to § 9-603 of the UCC) that it is not commercially unreasonable for the Security Agent (a) to fail to incur expenses reasonably deemed significant by the Security Agent to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition or to postpone any such disposition pending any such preparation or processing; (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of; (c) to fail to exercise collection remedies against Account Debtors or other persons obligated on Collateral or to remove any Lien on or any adverse claims against Collateral; (d) to exercise collection remedies against account debtors and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists; (e) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature; (f) to contact other persons, whether or not in the same business as the Grantor, for expressions of interest in acquiring all or any portion of the Collateral; (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature; (h) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets; (i) to dispose of assets in wholesale rather than retail markets; (j) to disclaim disposition warranties; (k) to purchase insurance or credit enhancements to insure the Security Agent against risks of loss, collection or disposition of Collateral or to provide to the Security Agent a guaranteed return from the collection or disposition of Collateral; or (l) to the extent deemed appropriate by the Security Agent, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Security Agent in the collection or disposition of any of the Collateral. Each Grantor acknowledges that the purpose of this Section 7.1(f) is to provide non exhaustive indications of what actions or omissions by the Security Agent would not be commercially unreasonable in the Security Agent's exercise of remedies against the Collateral and that other actions or omissions by the Security Agent shall not be deemed

commercially unreasonable solely on account of not being indicated in this Section 7.1(f). Without limiting the foregoing, nothing contained in this Section 7.1(f) shall be construed to grant any rights to any Grantor or to impose any duties on the Security Agent that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 7.1(f).

Section 7.2 Intellectual Property

- (a) Upon the occurrence of an Acceleration Event which is continuing, each Grantor will, upon written request from the Security Agent, use its commercially reasonable efforts to obtain all requisite consents or approvals by the licensor of each Intellectual Property License to effect the assignment of all of such Grantor's right, title and interest thereunder to the Security Agent or its designee.
- (b) For the purpose of enabling the Security Agent to exercise rights and remedies under this Section 7.2 at such time as the Security Agent is lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Security Agent, exercisable only upon the occurrence of an Acceleration Event which is continuing, an irrevocable (except for failure to comply with the terms and conditions set forth herein), non-exclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sub-license, on a non-exclusive basis only, any of the Collateral consisting of Intellectual Property (other than where such use, license, or sublicense would constitute a breach or violation of any then-existing Intellectual Property Licenses to the extent that waivers cannot be obtained), subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of such Grantor to avoid the risk of abandonment or invalidation of such Trademark, now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. Such license to the Security Agent may be exercised, at the option of the Security Agent, only upon the occurrence of an Acceleration Event which is continuing; **provided that** any license, sublicense or other transaction entered into by the Security Agent in accordance herewith will be binding upon the Grantors notwithstanding any subsequent cure or waiver of an Acceleration Event.

Section 7.3 Application of Proceeds

- (a) The Security Agent will apply the proceeds of any collection or sale of the Collateral as provided in clause 16 (*Application of Proceeds*) of the Intercreditor Agreement. Any such proceeds will continue to be held as collateral security for the Secured Obligations (and will not constitute payment thereof until so applied).
- (b) For the avoidance of doubt, all proceeds received by the Security Agent in respect of any part of the Collateral prior to the occurrence and continuance of an Acceleration Event shall be returned to the applicable Grantor to the extent such proceeds are not required to be applied in any other manner under the Secured Debt Documents.

Section 7.4 U.S. Securities Laws

Each Grantor understands that compliance with the U.S. Securities Laws might very strictly limit (a) the course of conduct of the Security Agent if the Security Agent were to attempt to dispose of all or any part

of the Pledged Collateral, and (b) the extent to which or the manner in which any subsequent transferee of any such Pledged Collateral could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Security Agent in any attempt to dispose of all or part of the Pledged Collateral under the U.S. Securities Laws. Each Grantor recognizes that, in light of such restrictions and limitations, the Security 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, upon the occurrence of an Acceleration Event which is continuing, the Security Agent, in its sole and absolute discretion exercised in good faith, (i) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Collateral or part thereof has been filed under the U.S. Securities Laws and (ii) 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 Security Agent will incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Security 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 7.4 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices might exceed substantially the price at which the Security Agent sells.

SECTION 8 MISCELLANEOUS

Section 8.1 Notices

All communications and notices hereunder will (except as otherwise permitted herein) be in writing and given as provided in the notice provisions of the Intercreditor Agreement.

Section 8.2 Security Interest Absolute

All rights of the Security Agent hereunder, the Security Interest and all obligations of the Grantors hereunder will be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Senior Facilities Agreement, the Second Lien Facility Agreement, the Intercreditor Agreement or any other Secured Debt Document, (b) except with respect to, or as a result of, any amendment to the obligations of the Grantors hereunder, 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 or waiver of or any consent to any departure from the Senior Facilities Agreement, the Second Lien Facility Agreement the Intercreditor Agreement or any other Secured Debt Document, (c) any exchange, release or non-perfection of any Lien on Collateral, or except with respect to, or as a result of, any amendment to the obligations of the Grantors hereunder, any release or amendment or waiver of or consent under or departure from any Transaction Security Document, or (d) except with respect to, or as a result of, any amendment to the obligations of the Grantors hereunder, any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Grantors in respect of the Secured Obligations or this Agreement (in each case, other than the payment in full of the Secured Obligations).

Section 8.3 Survival of Agreement

- (a) All covenants, agreements, representations and warranties made by the Grantors herein and in the certificates or other instruments prepared or delivered pursuant to this Agreement will be considered to have been relied upon by the Secured Parties and will survive the making by the Secured Parties of any extensions of credit, regardless of any investigation made by the Secured Parties or on their behalf, and will continue in full force and effect until this Agreement terminates in accordance with the terms hereof.
- (b) To the extent that any Grantor makes a payment or payments to any Secured Party (or to any Agent for the benefit of some or all of the Secured Parties), or any Secured Party enforces any security interests or exercises its rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any Bankruptcy Law, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

Section 8.4 Successors and Permitted Assigns

This Agreement will be binding upon and inure to the benefit of each of the parties hereto, and the Secured Parties not party hereto, and the successors and permitted assigns of each of the foregoing, except that (i) no Grantor may assign or otherwise transfer any of its rights or obligations hereunder or any interest in the Collateral (and any such assignment or transfer will be null and void) unless permitted under or otherwise contemplated by this Agreement or the Secured Debt Documents, but (ii) all references to any Grantor will include any Grantor as debtor-in-possession and any receiver or trustee for such Grantor in any insolvency proceeding. Nothing herein is intended, or will be construed, to give any other Person any right, remedy or claim under, to or in respect of this Agreement or any Collateral.

Section 8.5 Applicable Law

This Agreement, and the rights and obligations of the parties hereunder, are governed by, and will be construed and enforced in accordance with, the laws of the State of New York (including § 5-1401 of the New York General Obligations Law).

Section 8.6 Waivers; Amendment

- (a) No failure on the part of the Security Agent to exercise and no delay in exercising any power or right hereunder will operate as a waiver thereof, nor will 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 Security Agent and the other Secured Parties hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or consent to any departure by the Grantors therefrom will in any event be effective unless the same is permitted by paragraph (b) below, and then such waiver or consent will be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Grantor in any case will entitle such Grantor or any other Grantor 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 (i) as provided herein with respect to any Security Supplement or Joinder Agreement or (ii) pursuant to an agreement or agreements in writing entered into by the Security Agent and the Grantors, subject to any consent required in accordance with the Intercreditor Agreement.

Section 8.7 Waiver of Jury Trial

Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any dealings between them relating to the subject matter of this Agreement or any transactions provided hereunder or contemplated hereby to the fullest extent permitted by applicable law. The scope of this waiver is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into a business relationship, that each party has already relied on this waiver in entering into this Agreement, and that each party will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing (other than by a mutual written waiver specifically referring to this Section 8.7 and executed by each of the parties hereto), and this waiver will apply to any subsequent amendments, renewals, supplements or modifications to this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 8.8 Severability

In case any provision in or obligation under this Agreement is invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, will not in any way be affected or impaired thereby. The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provision or obligation with a valid provision or obligation, the economic effect of which comes as close to that of the invalid, illegal or unenforceable provision or obligation.

Section 8.9 Counterparts; Effectiveness

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith (a) may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument (and signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document, and (b) will become effective upon the execution and delivery of a counterpart hereof by each of the parties hereto. Delivery of an executed facsimile or ".PDF" ("**PDF**") counterpart of a signature page to this Agreement or any such amendments, waivers, consents or supplements shall be effective as delivery of an original executed counterpart hereof or thereof. The Security Agent may also request that any such facsimile or PDF signatures be confirmed by a manually signed original thereof; **provided that** the failure to request or deliver the same shall not limit the effectiveness of any facsimile or PDF signature delivered.

Section 8.10 Section Titles

The section titles contained in this Agreement are and will be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

Section 8.11 Consent to Jurisdiction and Service of Process

All judicial proceedings arising out of or relating to this agreement, or any obligations hereunder, may be brought in any state or federal court of competent jurisdiction in the State, County and City of New York (each, a “NY Court”). By executing and delivering this agreement, each Party hereto, for itself and in connection with its properties, irrevocably:

- (A) **accepts generally and unconditionally the nonexclusive jurisdiction and venue of such NY Courts;**
- (B) **waives any defense of forum *non conveniens*;**
- (C) **agrees that service of all process in any such proceeding in any such NY Court may be made by registered or certified mail, return receipt requested, to such Party at its address provided in accordance with Section 8.1 (or with respect to any Grantor, to the Process Agent);**
- (D) **agrees that service as provided in clause (C) above is sufficient to confer personal jurisdiction over such Party in any such proceeding in any such NY Court, and otherwise constitutes effective and binding service in every respect; and**
- (E) **agrees that the provisions of this Section 8.11 relating to jurisdiction and venue will be binding and enforceable to the fullest extent permitted by law (under New York General Obligations Law Section 5-1402 or otherwise).**

Section 8.12 Appointment of Process Agent

Each Non-U.S. Grantor hereby (i) irrevocably designates and appoints Froneri US (the “**Process Agent**”) as its agent to receive on its behalf service of all process brought against it with respect to any such proceeding in any NY Court, such service being hereby acknowledged by such Grantor to be effective and binding on it in every respect, and (ii) confirms that the Process Agent has accepted such designation and appointment. If for any reason the Process Agent shall cease to be available to act as such, then such Grantor will promptly notify the Security Agent and designate a new agent for service of process in the State, County and City of New York.

Section 8.13 Termination

- (a) This Agreement and the Security Interest will terminate on the Final Discharge Date or otherwise in accordance with the terms of the Secured Debt Documents.
- (b) Upon any sale, lease, transfer or other disposition of any item of Collateral of any Grantor to the extent not prohibited under the Secured Debt Documents (or to the extent agreed between the Security Agent and the relevant Grantor), the Security Interest of the Security Agent in such item of Collateral will be automatically released.
- (c) Upon any sale, transfer or other disposition of the Equity Interests of any Grantor to a Person that is not a member of the Group, or upon any Grantor ceasing to be an Obligor under the Secured Debt Documents, in each case to the extent not prohibited under the Secured Debt Documents (or to the extent agreed between the Security Agent and the

relevant Grantor), such Grantor shall be automatically released as a grantor under this Agreement, the Security Interests granted by such Grantor shall be automatically released and such Grantor shall have no further obligations under this Agreement.

- (d) Upon any termination or release pursuant to this Section 8.13, the Security Agent promptly will execute and deliver to the applicable Grantor, at such Grantor's expense, all UCC termination statements, releases and similar documents that the Grantors may reasonably request to effect and/or evidence such termination or release. Any such execution and delivery of termination statements, releases or other documents will be without recourse to or warranty by the Security Agent.

Section 8.14 Acknowledgement and Consent to Bail-In

Notwithstanding anything to the contrary in any Secured Debt Document or in any other agreement, arrangement or understanding among the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Secured Debt Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Secured Debt Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, intending to be legally bound, each party hereto has caused this Security Agreement to be duly executed as of the date first written above.

FRONERI US, INC., as a U.S. Grantor

By: 
Name: Trevor Ryan 
Title: President and Secretary

FRONERI INTERNATIONAL LIMITED, as a Non-U.S.
Grantor

By: 
Name: PHILIP KAZ GRIFIN
Title: Director

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as
Security Agent

By:

Name: William O'Daly

Title: Authorized Signatory


D. Andrew Maletta

Authorized Signatory

Schedule 1

Names and Locations

Grantor's correct legal name	Jurisdiction of organization	Chief executive office address
Froneri US, Inc.	Delaware, United States	c/o Froneri International Limited Richmond House, Leeming Bar Northallerton, North Yorkshire, United Kingdom DL7 9UL
Froneri International Limited	England and Wales	Richmond House, Leeming Bar Northallerton, North Yorkshire, United Kingdom DL7 9UL

Schedule 2

Pledged Collateral

Pledged Equity

Grantor	Equity Issuer	Jurisdiction of Issuer	Percentage of Equity Interests Owned	Percentage of Equity Interests Pledged	Certificate No. (if any)
Froneri International Limited	Froneri US, Inc.	Delaware, United States	100%	100%	1

Pledged Notes

None.

EXHIBIT A

FORM OF JOINDER AGREEMENT

This **JOINDER AGREEMENT**, dated as of [●], is delivered pursuant to Section 5.2 of the Pledge and Security Agreement dated as of February 14, 2020 (as it may from time to time be amended, modified or supplemented in accordance with its terms, the "**Pledge and Security Agreement**"), by and among Froneri US, Inc., a Delaware corporation ("**Froneri US**"), Froneri International Limited, a company incorporated in England and Wales with registration number 05777981 ("**Froneri UK**"), each other Grantor from time to time party thereto, and Credit Suisse AG, Cayman Islands Branch, as security agent for the Secured Parties (in such capacity, the "**Security Agent**"). Capitalized terms used herein but not defined herein are used with the meanings given them in the Pledge and Security Agreement.

By executing and delivering this Joinder Agreement, [●] (the "**Additional Grantor**"), as provided in Section 5.2 of the Pledge and Security Agreement, hereby becomes a party to the Pledge and Security Agreement as a [Non-U.S. Grantor][U.S. Grantor] thereunder with the same force and effect as if originally named as a [Non-U.S. Grantor][U.S. Grantor] therein and, without limiting the generality of the foregoing, hereby:

- (a) pledges, collaterally assigns and grants to the Security Agent, for its benefit and for the benefit of the Secured Parties, a continuing security interest in and Lien on all of its right, title and interest in, to and under the [All-Asset Collateral][Non-U.S. Grantor Collateral] of the Additional Grantor, other than any Excluded Property (subject to the final proviso of Section 2.2(a)), as security for the payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all Secured Obligations; and
- (b) expressly assumes all obligations of a [Non-U.S. Grantor][U.S. Grantor] under the Pledge and Security Agreement.

The Additional Grantor has attached hereto as Exhibit A supplemental Schedules 1 and 2, respectively, to the Pledge and Security Agreement, solely with respect to the Additional Grantor as of the date of this Joinder Agreement.

The Additional Grantor hereby agrees to all of the terms and provisions of the Pledge and Security Agreement applicable to it as a Grantor thereunder and represents and warrants that each of the representations and warranties contained in Section 3 (*Representations and Warranties*) of the Pledge and Security Agreement applicable to it is true and correct on and as the date hereof as if made on and as of such date.

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE GOVERNED BY, AND WILL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Additional Grantor has caused this Joinder Agreement to be duly executed and delivered by its respective officer or representative thereunto duly authorized as of the date first written above.

[ADDITIONAL GRANTOR],
as a [U.S.][Non-U.S.] Grantor

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as Security Agent

By: _____
Name:
Title:

EXHIBIT A TO JOINDER AGREEMENT

SUPPLEMENTS TO SCHEDULES