



Registration of a Charge

Company name: **AVANTI COMMUNICATIONS GROUP PLC**

Company number: **06133927**



X634NMBV

Received for Electronic Filing: **28/03/2017**

Details of Charge

Date of creation: **23/03/2017**

Charge code: **0613 3927 0008**

Persons entitled: **THE BANK OF NEW YORK MELLON, LONDON BRANCH**

Brief description:

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: **ISABEL VICKERS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6133927

Charge code: 0613 3927 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd March 2017 and created by AVANTI COMMUNICATIONS GROUP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th March 2017 .

Given at Companies House, Cardiff on 29th March 2017

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

TÖRNGREN MAGNELL

PLEDGE AGREEMENT

dated 23 March 2017

Avanti Communications Group PLC
as Pledgor

and

The Bank of New York Mellon,
London Branch

As Primary Security Agent

regarding the shares in

Avanti Communications Sweden AB

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Schedules

Schedule 1 Form of power of attorney

This SHARE PLEDGE AGREEMENT (this "**Agreement**") is dated 23 March 2017 and made between:

- (1) Avanti Communications Group PLC, a company incorporated and existing under the laws of England and Wales, with Reg. No. 06133927, registered office at Cobham House, 20 Black Friars Lane, London EC4V 6EB, (the "**Pledgor**"); and
- (2) The Bank of New York Mellon, London Branch, as security agent on behalf of the Shared Collateral Creditors (as defined in the Intercreditor Agreement) (the "**Primary Security Agent**").

BACKGROUND

- (A) The Pledgor and its Group owe certain Secured Obligations to the Shared Collateral Creditors subject to the terms and conditions of the Debt Documents.
- (B) The Pledgor and the Primary Security Agent (acting on its own behalf and on behalf of the Shared Collateral Creditors) are entering into this Agreement for the purpose of securing the Secured Obligations.
- (C) The Pledgor owns on the date hereof all of the Shares in the Company (as defined below).
- (D) This Agreement is entered into subject to the terms of the Intercreditor Agreement (as defined below).

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

"**Company**" means Avanti Communications Sweden AB, a limited liability company incorporated and existing under the laws of Sweden, with Reg. No. 556821-3028.

"**Enforcement Event**" means an "Acceleration Event" as defined in the Intercreditor Agreement or the final maturity date relating to any Secured Obligations, if they have not been discharged on such date in accordance with the relevant Debt Document and the maturity date has not been amended or extended.

"**Intercreditor Agreement**" means the intercreditor agreement dated 26 January 2017 and made between, *inter alia*, Avanti Communications Group PLC and others as Original Debtors, the Bank of New York Mellon, London Branch as Original PIK Toggle Note Trustee, Amended Existing Note Trustee and Primary Security Agent.

"**Pledge**" means the Security created pursuant to this Agreement.

"**Related Rights**" means, in relation to the Shares, all property deriving from the Shares and all other rights or benefits of all kind accruing or otherwise deriving from the Shares, including, but not limited to, dividends (whether in cash or in kind), distributions or other income paid or payable on any Share, the right to participate in new issues of shares or bonus issues of shares and the right to participate in issues of convertible debt instruments, options to subscribe for new shares or other securities.

"**Secured Obligations**" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Shared Collateral Creditor under the Debt

Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Parties" means the Shared Collateral Creditors and **"Secured Party"** means any of the them.

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

"Security Assets" means the Shares and the Related Rights.

"Security Period" means the period beginning on the date of this Agreement and ending on the Final Discharge Date.

"Shares" means (i) all the 500 shares in the Company representing one hundred (100) per cent of the issued share capital and votes in the Company and (ii) any other shares or provisional certificates (Sw: *interimsbevis*) for shares in the Company held by the Pledgor and resulting from, *inter alia*, a new issue of shares, a change in the quotient value (Sw: *kvotvärde*) or an issue of convertible debt instruments, warrants, or options to subscribe for new shares.

1.2 Construction

- 1.2.1 Unless otherwise defined in this Agreement, terms defined in the Intercreditor Agreement shall have the same meanings when used in this Agreement and the rules of construction set out in the Intercreditor Agreement shall apply also to this Agreement.
- 1.2.2 Save where the contrary intention appears, a reference in this Agreement to any agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended or restated even if changes are made to the composition of the parties to such agreement or to the nature or amount of any facilities made available under such agreement.
- 1.2.3 A reference in this Agreement to the Primary Security Agent is always a reference to the Primary Security Agent acting for itself and on behalf of the Secured Parties (unless expressly stated otherwise).
- 1.2.4 No failure to exercise, nor any delay in exercising, on the part of the Primary Security Agent and the Secured Parties, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.

2 GRANT OF PLEDGE

- 2.1 As continuing security for the due and punctual fulfilment of the Secured Obligations, the Pledgor hereby irrevocably and unconditionally pledges, as a first priority pledge, to the Secured Parties, represented by the Primary Security Agent, all its title, right and interest in, to and under the Security Assets.

3 PERFECTION OF PLEDGE

- 3.1 The Pledgor shall:

- (a) on the date hereof, deliver to the Primary Security Agent the share certificates representing the Shares owned by it with numbers 1-500 duly endorsed in blank by the Pledgor;
- (b) on the date hereof, notify the Company of the Pledge and procure that the Company acknowledges the notice as set out on the execution page of this Agreement;
- (c) on the date hereof, procure that the Pledge is duly registered in the share register of the Company and deliver to the Primary Security Agent a certified copy of such share register; and
- (d) on the date hereof, issue to the Primary Security Agent a separate power of attorney in the form set out in Schedule 1 (*Form of Power of Attorney*).

3.2 The Pledgor shall upon the issue of any additional Shares or Related Rights procure that the Primary Security Agent is provided with share certificates or other certificates or documents of title evidencing such additional Shares or Related Rights endorsed in blank by the Pledgor in accordance with clause 3.1 above, together with any other documents as the Primary Security Agent considers appropriate.

4 CONTINUING SECURITY

- 4.1 The Pledge shall be a continuing Security, and shall extend to the ultimate balance of the Secured Obligations and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Obligations.
- 4.2 This Agreement is in addition to and is not in any way prejudiced by any present or future guarantee, collateral, lien or other Security held by or on behalf of the Secured Parties.
- 4.3 The Secured Parties' rights hereunder are in addition to and not exclusive of those provided by law.

5 DIVIDENDS

- 5.1 Notwithstanding Clause 2, until an Enforcement Event has occurred, all dividends declared on or in respect of the Shares and other payments with respect to the Shares shall be paid to the Pledgor.
- 5.2 Following an Enforcement Event, all dividends and other payments with respect to the Shares shall be paid to the Primary Security Agent on behalf of the Secured Parties. All dividends and other payments with respect to the Shares paid to the Primary Security Agent shall become part of the Pledge and may be applied towards prepayment of the Secured Obligations in accordance with Clause 11.

6 POWERS OF THE PRIMARY SECURITY AGENT AND DELEGATION

- 6.1 For the purpose of (i) establishing, maintaining, preserving, protecting and perfecting the Pledge, (ii) exercising the rights hereunder, and (iii) enforcing the Pledge pursuant to Clause 10, the Pledgor irrevocably authorises and empowers the Primary Security Agent and any nominee or agent designated by the Primary Security Agent, after the occurrence of an Enforcement Event or if the Pledgor has failed to comply

with a further assurance or perfection obligation within fourteen (14) days of being notified in writing of that failure and being requested to comply, to act in its own name or in the name of the Pledgor and, on behalf of the Pledgor, to do all acts and take any steps it reasonably deems necessary or appropriate in respect of the Security Assets or otherwise. In exercising these powers, the Primary Security Agent shall not be obliged to obtain the further consent of the Pledgor. The power of attorney set out in this Clause 6 is, to the extent permitted under Swedish law, irrevocable and shall be valid until the expiry of the Security Period.

7 EXERCISE OF SHAREHOLDER RIGHTS

- 7.1 Without prior written consent of the Primary Security Agent, the Pledgor shall not vote for any resolution authorising an issue of new shares, convertible debt instruments or other securities in respect of the Company, unless such new shares, convertible debt instruments or other securities are immediately pledged in favour of the Primary Security Agent in accordance with Clause 3 above.
- 7.2 Without prior written consent of the Primary Security Agent, the Pledgor shall not vote in favour of any resolution for a merger, demerger, re-organisation (Sw: *företagsrekonstruktion*) of the Company or any other similar proceedings with respect to the Company. The Pledgor shall not vote for any resolution for the winding-up (Sw: *likvidation*) of the Company or for the commencement of bankruptcy proceedings (Sw: *konkurs*), unless winding-up or bankruptcy proceedings are required by mandatory legislation.
- 7.3 Without prior written consent of the Primary Security Agent, the Pledgor shall not vote in favour of any resolution for the reduction of the share capital (Sw: *nedsättning av aktiekapital*) of the Company.
- 7.4 The Pledgor shall not exercise the voting rights attached to the Shares in favour of any other resolution or change of the articles of association of the Company which is inconsistent with the terms of this Agreement or the Debt Documents if such resolution or change would have an adverse effect which is not insignificant on the interest of the Secured Parties hereunder (however, for the avoidance of doubt, that the introduction of pre-emption rights or other transfer restrictions shall never be permitted without prior consent from the Primary Security Agent).
- 7.5 Upon the occurrence of an Enforcement Event and for as long as the same is continuing, the Primary Security Agent may, in accordance with the Intercreditor Agreement and to the exclusion of the Pledgor, exercise all voting powers under the powers of attorney issued pursuant to Clause 3.1(d).
- 7.6 Each power of attorney issued pursuant to Clause 3.1(d) shall be renewed annually by the Pledgor.

8 REPRESENTATIONS AND WARRANTIES

- 8.1 The Pledgor makes the following representations to each of the Secured Parties:
- (a) The Company is a limited liability company, duly incorporated and validly existing under the laws of Sweden and has the power to own its assets and carry on its business as it is being conducted.

- (b) The Shares are fully paid and constitute one hundred (100) per cent of the issued share capital of the Company and other than the share certificates delivered to the Primary Security Agent no certificates, coupons or other instruments or documents pertaining to the Shares exist on the date of this Agreement.
- (c) No winding-up, re-organisation or bankruptcy proceedings are currently pending or threatened against the Company and no liquidator, administrator or similar officer has been appointed or is to be appointed in respect of a Company.

9 COVENANTS OF THE PLEDGOR

- 9.1 The Pledgor shall not without the Primary Security Agent's prior written consent sell, transfer or dispose or agree or attempt to sell, transfer or dispose of the Security Assets, or any part thereof, or permit the same to occur. Save as otherwise permitted or not prohibited in the Debt Documents, the Pledgor shall not without the Primary Security Agent's prior written consent create or agree or attempt to create any Security or third party right in the Security Assets or any interest therein, or permit the same to exist, other than the Pledge.
- 9.2 The Pledgor shall refrain from any acts or omissions, including the assertion of any rights under the articles of association of the Company, the purpose or effect of which is likely to be, or would be, that any Share ceases to exist or is encumbered in any way other than as a consequence of or in accordance with this Agreement or as otherwise agreed with the Primary Security Agent.

10 ENFORCEMENT OF PLEDGE

- 10.1 After the occurrence of an Enforcement Event, the Primary Security Agent shall, subject to the terms of the Intercreditor Agreement, be entitled to enforce the Pledge or any part thereof by private or public sale or auction or in such manner and on such terms as the Primary Security Agent in its sole discretion deems appropriate.
- 10.2 The Primary Security Agent is entitled to decide in its own discretion which Security shall be applied towards the satisfaction of the Secured Obligations and in what order.
- 10.3 Chapter 10 Section 2 of the Swedish Commercial Code (Sw: *Handelsbalken*) shall not apply to this Agreement or any enforcement hereunder.
- 10.4 In connection with an enforcement of the Pledge, the Pledgor shall if requested by the Primary Security Agent release the Company from all liabilities (both actual and contingent) to the Pledgor, in respect of any loan and any liabilities arising by way of subrogation or otherwise as a result of the enforcement of the Pledge. The release of the liabilities shall, at the election of the Primary Security Agent, be effected by way of shareholders' contribution (Sw: *aktieägartillskott*), forgiveness of liabilities, or in any other way deemed appropriate by the Primary Security Agent.

11 APPLICATION OF PROCEEDS

All monies (or other consideration) obtained by the Primary Security Agent or its designee or nominee by virtue of operation of law or through the exercise of the rights, powers and remedies under this Agreement, shall be applied by the Primary

Security Agent (or its designee or nominee on its behalf) towards the discharge of the Secured Obligations in accordance with the provisions of Clause 15 (*Application of Proceeds*) of the Intercreditor Agreement.

12 FURTHER ASSURANCE

The Pledgor shall, from time to time and at its own expense, upon the request of the Primary Security Agent, promptly take all actions and duly execute and deliver any and all such transfers, powers of attorney, notifications, confirmations and other documents as the Primary Security Agent may reasonably deem necessary for the purpose of perfecting, preserving, protecting and enforcing the Pledge and for the Secured Parties to obtain the full benefit of this Agreement and the rights and powers granted under it.

13 WAIVER OF DEFENCES

- 13.1 The Pledge shall not be affected in any way by any variation, extension, waiver, compromise or partial release of the Secured Obligations, the Debt Documents or of any Security from time to time granted in respect thereof, or by any change in the laws, rules or regulations of any jurisdiction or by any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the Secured Obligations or the Debt Documents.
- 13.2 The obligations of the Pledgor under this Agreement will not be affected by an act, omission, matter or thing which, but for this Clause 13, would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to it or any Secured Party) including:
- (a) any time, waiver or consent granted to, or composition with, the Pledgor, any Debtor or other person;
 - (b) the release of the Pledgor, any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Pledgor, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Pledgor, a Debtor or any other person;
 - (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Debt Document or any other document or Security including without limitation, any change in the purpose of; any extension of or increase in any facility or the addition of any new facility under any Debt Document or other document or Security; or
 - (f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or Security.

14 NON-COMPETITION AND WAIVER OF SUBROGATION

14.1 The Pledgor irrevocably waives any claim against the Company and any other relevant member of the Group arising by way of subrogation or otherwise as a result of the enforcement of the Pledge and agrees that it will not by virtue of any Security enforced or monies received by the Secured Parties, for or on account of the Secured Obligations:

- (a) be subrogated to or have the benefit of any rights of, Security or monies held, received or receivable by, the Secured Parties or be entitled to any right of contribution or indemnity; or
- (b) claim, rank, prove or vote as a creditor in the bankruptcy, liquidation, re-organisation or dissolution of any party, or exercise any right of set-off or recourse against any party, in competition with any Secured Party.

14.2 Notwithstanding the generality of Clause 14.1 above, until all Secured Obligations have been irrevocably paid in full and unless the Primary Security Agent otherwise directs, no Pledgor will exercise any rights which it may have by reason of performance by it of its obligations or of a liability arising under this Agreement:

- (a) to be indemnified by an Debtor;
- (b) to claim any contribution from any other guarantor of any Debtor's obligations under the Debt Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Debt Documents or of any other guarantee or security taken pursuant to, or in connection with, the Debt Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Debtor to make any payment, or perform any obligation, in respect of which any Security, guarantee, undertaking or indemnity has been given pursuant to, or in connection with, the Debt Documents;
- (e) to exercise any right of set-off against any Debtor; and/or
- (f) to claim or prove as a creditor of any Debtor in competition with any Secured Party.

14.3 To the extent the Pledgor receives any payment, distribution or benefit of security in violation of the terms of this Agreement, the amount or benefit so received shall be transferred immediately to the Primary Security Agent.

15 COSTS AND EXPENSES

Without limitation, Clause 21 (*Costs and expenses*) of the Intercreditor Agreement shall apply to this Agreement as if set out herein in full.

16 PRIMARY SECURITY AGENT

The Pledgor acknowledges and agrees that the Primary Security Agent is party to this Agreement for the better enforcement and preservation of its rights as Primary

Security Agent and of the security interests granted in its favour pursuant to this Agreement.

The Pledgor acknowledges and agrees that the Primary Security Agent has been appointed pursuant to the Intercreditor Agreement and in taking or refraining from taking any action under this Agreement the Primary Security Agent: (i) will act on instructions in accordance with the Intercreditor Agreement and (ii) has the benefit of the protective provisions set out in the Intercreditor Agreement as if set out in full herein.

17 RELEASE OF SECURITY

- 17.1 Upon the expiry of the Security Period or if the Primary Security Agent releases the Security Assets in accordance with the Intercreditor Agreement, the Primary Security Agent shall as soon as reasonably practicable, at the request and expense of the Pledgor, take such actions as are required to release to the Pledgor all rights and interest of the Secured Parties in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions, and deliver such documents, as the Pledgor may reasonably require in order to effect such release.

18 ASSIGNMENT

- 18.1 The Primary Security Agent and each Secured Party may at any time assign its rights and/or obligations under this Agreement, in accordance with the Intercreditor Agreement. With regards to any such assignment, the Pledgor shall at the request of the Primary Security Agent take all action necessary to preserve the Pledge.
- 18.2 The Pledgor may not assign any of its rights and/or obligations under this Agreement.

19 NOTICE

Clause 24 (*Notices*) of the Intercreditor Agreement shall apply also to this Agreement.

20 FORCE MAJEURE AND LIMITATION OF LIABILITY

- 20.1 For the avoidance of doubt and without limiting the protective provisions in favour of the Primary Security Agent under the Intercreditor Agreement, neither the Primary Security Agent nor any of the Secured Parties shall be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Primary Security Agent or a Secured Party takes such measures, or is subject to such measures. Should there be any such obstacle to the Primary Security Agent or a Secured Party taking any action in connection with this Agreement, such action may be postponed.
- 20.2 For the avoidance of doubt and without limiting the protective provisions in favour of the Primary Security Agent under the Intercreditor Agreement, neither the Primary Security Agent nor any Secured Party shall be responsible for any indirect damage, consequential damage and/or loss of profit.

21 COUNTERPARTS

This Agreement may be executed in any number of counterparts and this will have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

22 GOVERNING LAW AND JURISDICTION

22.1 This Agreement is governed by Swedish law.

22.2 Subject to Clause 22.3 , the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement). The City Court of Stockholm (Sw: *Stockholms tingsrätt*) shall be court of first instance.

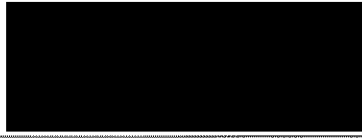
22.3 Clause 22.2 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings in any other courts with jurisdiction over the Pledgor or any of its assets.

SIGNATURES

THE PLEDGOR
Avanti Communications Group PLC



By: DAVID WILLIAMS



By: DAVID BESTWICK

THE PRIMARY SECURITY AGENT
The Bank of New York Mellon, London Branch
acting for itself and on behalf of the Secured Parties

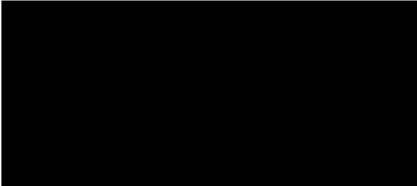
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By: _____

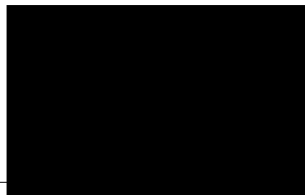
The Company hereby acknowledges the Pledge constituted by the above pledge agreement (the "Agreement") over the Security Assets (as defined in the Agreement) and the terms and conditions of the Agreement. Terms not otherwise defined in this acknowledgement shall have the meaning set out in the Agreement.

Further, the Company confirms that it, prior to the date hereof, has not been notified of any pledge or other security interest over any of the Security Assets.

THE COMPANY
Avanti Communications Sweden AB



By: DAVID WILLIAMS



By: NIGEL FOX

SIGNATURES

THE PLEDGOR
Avanti Communications Group PLC

By: _____

By: _____

THE PRIMARY SECURITY AGENT
The Bank of New York Mellon, London Branch
acting for itself and on behalf of the Secured Parties

By: Michael Lee
Vice President

By: Trevor Blewer
Vice President

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Further, the Company confirms that it, prior to the date hereof, has not been notified of any pledge or other security interest over any of the Security Assets.

THE COMPANY
Avanti Communications Sweden AB

By: _____

By: _____