



**Registration of a Charge**

Company name: **CATALYST NEWCO 3 LIMITED**

Company number: **11635870**



X7J6KBC1

Received for Electronic Filing: **21/11/2018**

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**Details of Charge**

Date of creation: **20/11/2018**

Charge code: **1163 5870 0001**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description: **N/A**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by: **ALLEN & OVERY LLP**





## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 11635870

Charge code: 1163 5870 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th November 2018 and created by CATALYST NEWCO 3 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st November 2018 .

Given at Companies House, Cardiff on 23rd November 2018

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



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PLEDGE AGREEMENT

among

CATALYST NEWCO 3 LIMITED  
as Pledgor

and

NATIONAL WESTMINSTER BANK PLC  
as Security Agent

Dated as of November 20, 2018

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## PLEDGE AGREEMENT

This PLEDGE AGREEMENT, dated as of November 20, 2018 (as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “Agreement”) among Catalyst NewCo 3 Limited, a private limited liability company incorporated under the laws of England and Wales with registered number 11635870, with its registered office at Griffin House, 161 Hammersmith Road, London W6 8BS, United Kingdom (the “Pledgor”), and National Westminster Bank Plc, in its capacity as Security Agent pursuant to the Intercreditor Agreement (as hereinafter defined), as pledgee, assignee and secured party (in such capacities and together with any permitted successors in such capacities, the “Security Agent”).

### RECITALS:

A. The Pledgor is a borrower and guarantor under the senior facilities agreement, dated November 9, 2018, between, among others, Catalyst NewCo 2 Limited as parent, National Westminster Bank Plc as mandated lead arranger, original lender and facility agent, the Security Agent and the other parties named therein (as amended, amended and restated, supplemented or otherwise modified from time to time, the “Senior Facilities Agreement”).

B. The Pledgor is a debtor and intra-group lender under the intercreditor agreement dated November 9, 2018 between, among others, Catalyst NewCo 2 Limited as original subordinated creditor and original security grantor, the Security Agent, and the other parties named therein (as amended, amended and restated, supplemented or otherwise modified from time to time, the “Intercreditor Agreement”).

C. The Pledgor will receive substantial benefits from the execution, delivery and performance of the Secured Obligations (as defined below) and is, therefore, willing to enter into this Agreement on the terms and conditions set forth herein.

D. This Agreement is given by the Pledgor in favor of the Security Agent for the benefit of the Senior Secured Parties.

### AGREEMENT:

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Pledgor and the Security Agent hereby agree as follows:

#### SECTION 1. DEFINED TERMS

##### 1.1 Definitions.

(a) Unless otherwise defined herein, terms defined in the Senior Facilities Agreement or Intercreditor Agreement (as defined below) and used herein shall have the meanings given to them in the Senior Facilities Agreement or Intercreditor Agreement, as



applicable, and the following terms which are defined in the UCC (as defined below) are used herein as so defined (and if defined in more than one article of the UCC shall have the meaning specified in Article 9 thereof): “Certificated Security” and “Uncertificated Security”.

(b) The following terms shall have the following meanings:

“Additional Pledged Equity Interests” shall mean all Equity Interests in the Company acquired by the Pledgor after the date hereof.

“Agreement” shall mean this pledge agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Business Day” means each day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York or London, United Kingdom are authorized or required by law to close.

“Collateral” shall have the meaning set forth in Section 2.

“Collateral Account” shall mean any collateral account established by the Security Agent as provided in Section 5.1.

“Company” shall mean Digital Education Holdings, Inc., a Delaware corporation.

“Enforcement Date” means the date of the occurrence of an Acceleration Event (as defined in the Intercreditor Agreement).

“Equity Interests” shall mean, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents, including membership interests (however designated, whether voting or non-voting) of the equity of such Person whether such Equity Interests are defined as investment property or general intangibles, including, if such Person is a partnership, partnership interests (whether general or limited), if such Person is a limited liability company, membership interests, and, if such Person is a trust, all beneficial interests therein, and shall also include any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of property of, such corporation, partnership, limited liability company or trust, whether outstanding on the date hereof or issued on or after the date hereof.

“Finance Documents” has the meaning given to the term Secured Debt Documents in the Intercreditor Agreement.

“Initial Pledged Equity Interests” all Equity Interests in the Company owned on the date of this Agreement by the Pledgor, including the Equity Interests listed on Schedule 1 hereto.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.



“Pledged Equity Interests” shall mean the Initial Pledged Equity Interests and any Additional Pledged Equity Interests.

“Proceeds” shall mean all “proceeds” as such term is defined in Section 9-102(a)(64) of the UCC in relation to the Pledged Equity Interests only and, in any event, shall include, without limitation, all dividends or other income from the Pledged Equity Interests, collections thereon and distributions or payments with respect thereto.

“Secured Obligations” has the meaning given to that term in the Intercreditor Agreement.

“Security Interest” has the meaning given to the term “Security” in the Intercreditor Agreement.

“Securities Act” shall mean the Securities Act of 1933, as amended.

“Security Period” means the period beginning on the date of this Agreement and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full in accordance with the Intercreditor Agreement or otherwise released in accordance with Section 9.12 (Release) below or in accordance with the Intercreditor Agreement.

“UCC” shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that, at any time, if by reason of mandatory provisions of law, any or all of the perfection or priority of, or remedies with respect any of the Security Agent’s and the Senior Secured Parties’ security interest in any item or portion of the Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term “UCC” shall mean the Uniform Commercial Code as in effect, at such time, in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority and for purposes of definitions relating to such provisions.

## 1.2 Other Definitional Provisions.

(a) The words “hereof,” “herein,” “hereto” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “Section,” “Schedule,” “Exhibit” and “Annex” are to this Agreement unless otherwise specified, and references to any Schedule, Exhibit or Annex shall mean such Schedule, Exhibit or Annex as amended or supplemented from time to time in accordance with this Agreement.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) The expressions “payment in full,” “paid in full” and any other similar terms or phrases when used herein shall mean payment in cash in immediately available funds.



(d) The use herein of the word “include” or “including” when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter.

(e) All references herein to provisions of the UCC shall include all successor provisions under any subsequent version or amendment to any Article of the UCC.

(f) The provisions of clause 1.2 (Construction), clause 22.1 (Security Agent’s ongoing costs), clause 23 (Indemnities), clause 26.1 (Partial invalidity) and clause 22.2 (Transaction expenses) of the Intercreditor Agreement apply to this Agreement as though they were set out in full in this Agreement, except that references to the Intercreditor Agreement will be construed as references to this Agreement.

- (g) (i) A “Secured Debt Document” or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Finance Document or other agreement or instrument, as amended, novated, supplemented, extended, restated or replaced (however fundamentally), including any change in the purpose of, any extension or refinancing of or any increase in the amount of a facility or any additional facility;
- (ii) the term “this Security” means any security created by this Agreement; and
- (iii) “assets” includes present and future properties, revenues and rights of every description.

(h) Any covenant of the Pledgor under this Agreement (other than a payment obligation) remains in force during the Security Period.

(i) If the Security Agent considers on the basis of legal advice that there is a reasonable likelihood that an amount paid to a Secured Party (as defined in the Intercreditor Agreement) under a Finance Document is reasonably likely to be avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid and fully and finally discharged for the purposes of this Agreement.

(j) The Parties may without the consent of any third party vary or rescind this Agreement.



(k) For the avoidance of doubt, the requirement to complete any further assurance obligation or take any perfection step shall be subject to the Agreed Security Principles.

(l) For the avoidance of doubt, (but without prejudice to the security created, or intended to be created, by this Agreement and any actions required to create, perfect or preserve such security) the terms of this Agreement shall not operate or be construed so as to prohibit or restrict any transaction, matter or other step permitted by a Finance Document and the Security Agent shall promptly enter into such documentation and/or take such other action as is required by the relevant Pledgor (acting reasonably) in order to facilitate any such transaction, matter or other step, including by way of executing any confirmation, consent to dealing, release or other similar or equivalent document.

## SECTION 2. GRANT OF SECURITY INTEREST; CONTINUING LIABILITY

(a) The Pledgor hereby assigns and transfers to the Security Agent, and hereby grants to the Security Agent, for the benefit of the Senior Secured Parties, a security interest in, all of the following property, in each case, wherever located and now owned or at any time hereafter acquired by the Pledgor or in which the Pledgor now has or at any time in the future may acquire any right, title or interest (collectively, the “Collateral”), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise), including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code of the United States, of the Secured Obligations:

(i) all Pledged Equity Interests;

(ii) the certificates, if any, representing such Pledged Equity Interests and any interest of the Pledgor on the books and records of the Company and any securities entitlements relating thereto and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Pledged Equity Interests and any other warrant, right or option or other agreement to acquire any of the foregoing, all management rights, all voting rights, any interest in any capital account of a member in such limited liability company, all rights as and to become a shareholder, member or partner of the Company, as applicable, all rights of the Pledgor under any shareholder or voting trust agreement or similar agreement in respect of the Company, all of the Pledgor’s right, title and interest as a member to any and all assets or properties of the Company, and all other rights, powers, privileges, interests, claims and other property in any manner arising out of or relating to any of the foregoing;

(iii) all Collateral Accounts;

(iv) all books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer



printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of (i) through (iii) above or are otherwise necessary or helpful in the collection thereof or realization thereupon; and

(v) to the extent not otherwise included, all Proceeds of any and all of the foregoing.

(b) Notwithstanding anything herein to the contrary, (i) the Pledgor shall remain liable for all Secured Obligations under the Collateral and nothing contained herein is intended to, or shall be, a delegation of duties to the Security Agent, (ii) the Pledgor shall remain liable under each of the agreements included in or pertaining to the Collateral, including, without limitation, any agreements relating to Pledged Equity Interests, to perform all of the obligations undertaken by it thereunder all in accordance with and pursuant to the terms and provisions thereof and the Security Agent shall not have any obligation or liability under any of such agreements by reason of or arising out of this Agreement or any other document related thereto nor shall the Security Agent have any obligation to make any inquiry as to the nature or sufficiency of any payment received by it or have any obligation to take any action to collect or enforce any rights under any agreement included in the Collateral, including, without limitation, any agreements relating to any Pledged Equity Interests, and (iii) in the event there is a US Borrower (as defined in the Senior Facilities Agreement) under the Senior Facilities Agreement, the Collateral shall be limited in accordance with Clause 28.13 of the Senior Facilities Agreement.

### SECTION 3. REPRESENTATIONS AND WARRANTIES

The Pledgor hereby represents and warrants to the Security Agent, for the benefit of the Senior Secured Parties on the date hereof, that:

3.1 Title; No Other Liens. The Pledgor has the legal, valid and beneficial ownership of each item of Collateral and owns each such item of the Collateral free and clear of any and all Liens or claims, except for Permitted Security Interests arising pursuant to a requirement of law.

3.2 Valid, Perfected First Priority Liens. The security interests granted pursuant to this Agreement each constitute a legal and valid security interest in favor of the Security Agent for the benefit of the Senior Secured Parties, securing the payment and performance of the Secured Obligations and upon the execution and delivery by the Pledgor of this Agreement and filing of UCC financing statements in the filing office specified on Schedule 1 naming the Pledgor as “debtor”, naming the Security Agent as “secured party” and describing the Collateral, the Security Agent for the benefit of the Senior Secured Parties will have a legal, valid and perfected lien upon and security interest in such Pledged Equity Interests and in the other Collateral as security for the payment and performance of the Secured Obligations to the extent such perfection is governed by the UCC, subject to no prior Security Interest other than Permitted Security Interests or Security Interests arising pursuant to a requirement of law.



3.3 Name; Jurisdiction of Organization, Etc. The Pledgor's exact legal name (as indicated on the public record of the Pledgor's jurisdiction of formation, incorporation or organization), jurisdiction of incorporation and organization, organizational identification number, if any, and the location of the Pledgor's principal executive office are specified on Schedule 2. The Pledgor is organized and incorporated solely under the law of the jurisdiction so specified and has not filed any certificates of domestication, transfer or continuance in any other jurisdiction. Except as otherwise indicated on Schedule 2, the jurisdiction of the Pledgor's organization or formation is required to maintain a public record showing the Pledgor to have been organized, incorporated or formed. Except as specified on Schedule 2, the Pledgor has not changed its name, jurisdiction of incorporation and organization or principal executive office within the past five years and has not within the last five years become bound (whether as a result of merger or otherwise) as the Pledgor under a security agreement entered into by another Person, which has not heretofore been terminated. Unless otherwise stated on Schedule 2, the Pledgor is not a transmitting utility as defined in UCC § 9-102(a)(80).

3.4 Pledged Equity Interests.

(a) Schedule 1 hereto sets forth all of the Initial Pledged Equity Interests owned by the Pledgor and such Initial Pledged Equity Interests constitute 100% of the issued and outstanding ownership interests of the Company.

(b) All of the Pledged Equity Interests have been duly and validly issued and are fully paid and nonassessable.

(c) There are no outstanding warrants, options or other rights to purchase, or shareholder, voting trust or similar agreements outstanding with respect to, or property that is convertible into, or that requires the issuance or sale of, any Pledged Equity Interests.

SECTION 4. COVENANTS

The Pledgor covenants and agrees with the Security Agent, on behalf of the Senior Secured Parties, that, from and after the date of this Agreement until the end of the Security Period:

4.1 Delivery and Control of Pledged Equity Interests.

(a) All certificates or instruments representing or evidencing the Pledged Equity Interests shall, promptly after the date on which the Pledgor becomes the owner of such Pledged Equity Interests, or within such other period as agreed between the Pledgor and the Security Agent acting reasonably, be delivered to and held by or on behalf of the Security Agent pursuant hereto and shall be in suitable form for transfer by delivery or, as applicable, shall be accompanied by the Pledgor's endorsement, where necessary, or duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Security Agent.



(b) If any of the Additional Pledged Equity Interests is or shall become evidenced or represented by any Certificated Security, such Certificated Security shall, promptly thereafter, or within such other period as agreed between the Pledgor and the Security Agent acting reasonably, be delivered to the Security Agent in suitable form for transfer by delivery or, as applicable, shall be accompanied by the Pledgor's endorsement, where necessary, or duly executed instruments of transfer or assignment in blank, all in a manner reasonably satisfactory to the Security Agent, to be held as Collateral pursuant to this Agreement.

(c) If any of the Collateral is or shall become evidenced or represented by an Uncertificated Security, the Pledgor shall cause the Company (i) to agree in writing to comply with instructions with respect to such Uncertificated Security originated by the Security Agent without further consent of the Pledgor and (ii) if the Enforcement Date has occurred, to register the Security Agent as the registered owner of such Uncertificated Security, upon original issue or registration of transfer.

(d) The Pledgor shall not, except as permitted or not prohibited by the Finance Documents, (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Pledged Equity Interests, unless the assignee or other transferee of such Pledged Equity Interests becomes a party to this Agreement as the Pledgor and pledges 100% of the Pledged Equity Interests so acquired in accordance with the terms hereof, (ii) create or suffer to exist any Security Interest upon or with respect to any of the Pledged Equity Interests, except for Permitted Security Interests, or (iii) permit the Company to merge or consolidate unless all the outstanding Pledged Equity Interests of the surviving or resulting Person are, upon such merger or consolidation, pledged hereunder and no cash, securities or other property is distributed in respect of the outstanding shares of any other constituent Person.

#### 4.2 Maintenance of Perfected Security Interest; Further Documentation.

(a) The Pledgor shall maintain the security interest created by this Agreement as a perfected security interest and shall defend such security interest against the claims and demands of all Persons whomsoever.

(b) At any time and from time to time, upon the written request of the Security Agent, and at the sole expense of the Pledgor, the Pledgor shall promptly and duly authorize, execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Security Agent may request that are reasonably necessary for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the UCC (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby.

4.3 Changes in Locations, Name, Jurisdiction of Incorporation, Etc. The Pledgor will not, except upon seven (7) Business Days prior written notice to the Security Agent, or such other period as the Security Agent may agree, and delivery to the Security Agent of duly authorized and, where required, executed copies of all additional financing statements and other documents reasonably requested by the Security Agent to maintain the validity, perfection and



priority of the security interests provided for herein: (i) change its legal name, jurisdiction of organization or the location of its chief executive office or sole place of business, if applicable, from that referred to in Section 3.3; or (ii) change its legal name, identity or structure to such an extent that any financing statement filed in connection with this Agreement would become misleading.

4.4 Notices. The Pledgor will advise the Security Agent promptly upon becoming aware thereof, in reasonable detail, of: (a) any Security Interest (other than any Permitted Security Interest) on any of the Collateral that would reasonably be expected to adversely affect the ability of the Security Agent to exercise any of its remedies hereunder; and (b) the occurrence of any other event, other than with respect to any action not prohibited under the Finance Documents, which could reasonably be expected to have a material adverse effect on the security interests created hereby.

4.5 Pledged Equity Interests.

(a) If the Pledgor shall become entitled to receive or shall receive any stock or other ownership certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), or option or rights in respect of the Equity Interests in the Company or other Pledged Equity Interest of the Company, whether in addition to, in substitution of, as a conversion of, or in exchange for, any shares of or other ownership interests in the Pledged Equity Interests, or otherwise in respect thereof, the Pledgor shall accept the same as the agent of the Senior Secured Parties, hold the same in trust for the Senior Secured Parties and, as soon as reasonably practicable thereafter (and in any event within 20 Business Days), deliver the same to the Security Agent in the exact form received, duly endorsed by the Pledgor to the Security Agent, if required, together with an undated stock power covering such certificate duly executed in blank by the Pledgor to be held by the Security Agent, subject to the terms hereof, as additional collateral security for the Secured Obligations. If the Enforcement Date has occurred, any sums paid upon or in respect of the Pledged Equity Interests upon the liquidation or dissolution of the Company and received by the Pledgor shall be paid over to the Security Agent to be held by it hereunder as additional collateral security for the Secured Obligations, and in case any distribution of capital shall be made on or in respect of the Pledged Equity Interests or any property shall be distributed upon or with respect to the Pledged Equity Interests pursuant to the recapitalization or reclassification of the capital of the Company or pursuant to the reorganization thereof, the property so distributed shall, unless otherwise subject to a perfected security interest in favor of the Security Agent, be delivered to the Security Agent to be held by it hereunder as additional collateral security for the Secured Obligations. If the Enforcement Date has occurred and any sums of money or property so paid or distributed in respect of the Pledged Equity Interests shall be received by the Pledgor, the Pledgor shall, until such money or property is paid or delivered to the Security Agent, hold such money or property in trust for the Senior Secured Parties, segregated from other funds of the Pledgor, as additional collateral security for the Secured Obligations.

(b) Without the prior written consent of the Security Agent, the Pledgor will not (i) unless not prohibited under the Finance Documents, vote to enable, or take any other



action to permit or cause, the Company to amend its organizational documents in any manner that materially changes the rights of the Pledgor with respect to any Pledged Equity Interests or adversely affects the validity, perfection or priority of the Security Agent's security interest therein, (ii) unless not prohibited under the Finance Documents, enter into any agreement or undertaking restricting the right or ability of the Pledgor or the Security Agent to sell, assign or transfer any of the Pledged Equity Interests or Proceeds thereof or any interest therein or (iii) cause or permit the Company to elect or otherwise take any action to cause any Pledged Equity Interests which are not securities for purposes of the UCC on the date hereof to be treated as securities for purposes of the UCC unless the Pledgor promptly notifies the Security Agent in writing of any such election or action and, in such event, takes all steps necessary or advisable to establish the Security Agent's "control" thereof.

#### 4.6 Voting and Other Rights with Respect to Pledged Equity Interests.

(a) Unless the Enforcement Date has occurred, the Pledgor shall be permitted to receive all cash dividends paid in respect of the Pledged Equity Interests to the extent not prohibited by the Finance Documents, and to exercise all voting and corporate rights with respect to the Pledged Equity Interests; provided, however, that (i) no vote shall be cast or corporate or other ownership right exercised or other action taken which could reasonably be expected to have a material adverse effect on the security interests created hereby unless any such vote, exercise or action is not prohibited under the Finance Documents and (ii) no vote shall be cast or corporate or other ownership right exercised or other action taken which could reasonably be expected to result in any material violation of any provision of this Agreement or any other Finance Document.

(b) If the Enforcement Date has occurred: (i) all rights of the Pledgor to exercise or refrain from exercising the voting and other consensual rights with respect to Pledged Equity Interests which it would otherwise be entitled to exercise shall cease and all such rights shall thereupon become vested in the Security Agent who shall thereupon have the sole right, but shall be under no obligation, to exercise or refrain from exercising such voting and other consensual rights, (ii) the Security Agent shall have the right, without notice to the Pledgor, to transfer all or any portion of the Pledged Equity Interests to its name or the name of its nominee or agent and (iii) except as otherwise provided in the Finance Documents, all rights of the Pledgor to receive the dividends, other distributions and interest payments that they would otherwise be authorized to receive and retain shall cease, and all such rights shall thereupon become vested in the Security Agent who shall thereupon have the sole right to receive and hold as Pledged Equity Interests such dividends, other distributions and interest payments. In addition, the Security Agent shall have the right at any time, without notice to the Pledgor, to exchange any certificates or instruments representing any Pledged Equity Interests for certificates or instruments of smaller or larger denominations. In order to permit the Security Agent to exercise the voting and other consensual rights which it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions which it may be entitled to receive hereunder, the Pledgor hereby grants to Security Agent an irrevocable proxy to vote the Pledged Equity Interests and to exercise all other rights, powers, privileges and remedies to which a holder of the Pledged Equity Interests would be entitled (including, without limitation, giving or withholding written consents of holders of Pledged Equity Interests, calling special



meetings of holders of Pledged Equity Interests and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action (including any transfer of any Pledged Equity Interests on the record books of the issuer thereof) by any other Person (including the issuer of the Pledged Equity Interests or any officer or agent thereof), upon the occurrence of the Enforcement Date and which proxy shall only terminate upon the payment in full of the Secured Obligations.

(c) The Pledgor hereby authorizes and instructs the Company to (i) comply with any instruction received by it from the Security Agent in writing that (x) states that the Enforcement Date has occurred and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from the Pledgor, and the Pledgor agrees that the Company shall be fully protected in so complying, and (ii) unless otherwise expressly permitted hereby, pay any dividends or other payments with respect to the Pledged Equity Interests directly to the Security Agent.

## SECTION 5. REMEDIAL PROVISIONS

5.1 Proceeds to be Turned Over To Security Agent. If the Enforcement Date has occurred, all Proceeds received by the Pledgor consisting of cash, Cash Equivalents, checks and other near-cash items in relation to the Collateral shall be held by the Pledgor in trust for the Senior Secured Parties, segregated from other funds of the Pledgor, and shall, forthwith upon receipt by the Pledgor, be turned over to the Security Agent in the exact form received by the Pledgor (duly endorsed by the Pledgor to the Security Agent, if required). Subject to the terms of the Intercreditor Agreement, (a) all Proceeds received by the Security Agent hereunder shall be held by the Security Agent in a Collateral Account maintained under its sole dominion and control and (b) all Proceeds while held by the Security Agent in a Collateral Account (or by the Pledgor in trust for the Senior Secured Parties) shall continue to be held as collateral security for all the Secured Obligations and shall not constitute payment thereof until applied as provided in Section 5.2.

5.2 Application of Proceeds. All Proceeds received by the Security Agent hereunder as a result of its exercise of the rights, powers and remedies under this Agreement shall be applied in or towards satisfaction of the Secured Obligations in accordance with the provisions of the Intercreditor Agreement and the other Finance Documents.

### 5.3 Code and Other Remedies.

If the Enforcement Date has occurred, subject to the terms of the Intercreditor Agreement and the other Finance Documents:

(a) The Security Agent, on behalf of the Senior Secured Parties, may exercise, in addition to all other rights and remedies granted to the Senior Secured Parties in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Collateral) and all rights under any other applicable law or in equity.



(b) Without limiting the generality of the foregoing, the Security Agent, without demand of performance or other demand, defense, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Pledgor or any other Person (all and each of which demands, presentments, protests, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, license, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of any Senior Secured Party, on the Internet or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk.

(c) Each Senior Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold or to become the licensor of all or any such Collateral, free of any right or equity of redemption in the Pledgor, which right or equity is hereby waived and released. For purposes of bidding and making settlement or payment of the purchase price for all or a portion of the Collateral sold at any such sale made in accordance with the UCC or other applicable laws, including, without limitation, US Bankruptcy Laws (as defined in the Intercreditor Agreement), the Security Agent, as agent for and representative of the Senior Secured Parties (but not any Senior Secured Party or Senior Secured Parties in its or their respective individual capacities unless the requisite percentage of holders under the applicable Finance Document shall otherwise agree in writing), shall be entitled to credit bid and use and apply the Secured Obligations (or any portion thereof) as a credit on account of the purchase price for any Collateral payable by the Security Agent at such sale, such amount to be apportioned ratably to the Secured Obligations of the Senior Secured Parties in accordance with their pro rata share of such Secured Obligations. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of the Pledgor, and the Pledgor hereby waive (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

(d) The Pledgor agrees that, to the extent notice of sale shall be required by law, at least ten (10) Business Days' notice to the Pledgor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Security Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Security Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. The Security Agent may sell the Collateral without giving any warranties as to the Collateral. The Security Agent may specifically disclaim or modify any warranties of title or the like. The foregoing will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. The Pledgor agrees that it would not be commercially unreasonable for the Security Agent to dispose of the Collateral or any portion thereof by using 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. The Pledgor hereby waives any claims against the Security Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Security Agent accepts the first offer received and does not offer such Collateral to more than one offeree. The Pledgor further agrees, at the Security Agent's request, to assemble the Collateral and make it available to the Security Agent at places which the Security Agent shall reasonably select, whether at the Pledgor's premises or elsewhere. The Security Agent shall have the right to enter onto the property where any Collateral is located without any obligation to pay rent and take possession thereof with or without judicial process. The Security Agent shall have no obligation to marshal any of the Collateral.

(e) Subject to the Intercreditor Agreement, the Security Agent shall deduct from any Proceeds received in respect of the Collateral all reasonable costs and expenses of every kind incurred in connection with the exercise of its rights and remedies against the Collateral or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Senior Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements. Any net Proceeds remaining after such deductions shall be applied or retained by the Security Agent in accordance with Section 5.2. Only after such application and after the payment by the Security Agent of any other amount required by any provision of law, including, without limitation, Section 9-615(a) of the UCC, need the Security Agent account for the surplus, if any, to the Pledgor. If the Security Agent sells any of the Collateral upon credit, the Pledgor will be credited only with payments actually made by the purchaser and received by the Security Agent. In the event the purchaser fails to pay for the Collateral, the Security Agent may resell the Collateral and the Pledgor shall be credited with proceeds of the sale. To the extent permitted by applicable law, the Pledgor waives all claims, damages and demands it may acquire against the Security Agent arising out of the exercise by it of any rights hereunder.

5.4 Effect of Securities Laws. The Pledgor recognizes that the Security Agent may be unable to effect a public sale of any or all of the Pledged Equity Interests by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. The Pledgor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Security Agent shall be under no obligation to delay a sale of any of the Pledged Equity Interests for the period of time necessary to permit the Company to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if the Company would agree to do so.

5.5 Deficiency. The Pledgor shall remain jointly and severally liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay



the Secured Obligations and the fees and disbursements of any attorneys employed by any Senior Secured Parties to collect such deficiency.

## SECTION 6. POWER OF ATTORNEY AND FURTHER ASSURANCES

### 6.1 Security Agent's Appointment as Attorney-in-Fact, Etc.

(a) The Pledgor hereby irrevocably constitutes and appoints the Security Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Pledgor and in the name of the Pledgor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, the Pledgor hereby gives the Security Agent the power and right, on behalf of the Pledgor, without notice to or assent by the Pledgor, to do any or all of the following:

(i) in the name of the Pledgor or its own name, or otherwise, take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys with respect to any Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Security Agent for the purpose of collecting any and all such moneys due with respect to any other Collateral whenever payable;

(ii) pay or discharge taxes and Security Interests levied or placed on or threatened against the Collateral, effect any repairs or purchase any insurance called for by the terms of the Finance Documents and pay all or any part of the premiums therefor and the costs thereof;

(iii) execute, in connection with any sale provided for in Section 5.3 or 5.4, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(iv) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Security Agent or as the Security Agent shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and endorse any assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against the Pledgor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Security Agent may deem appropriate; and (7) generally, sell, transfer, pledge and 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 do, at the Security Agent's option and the Pledgor's expense, at any time, or from time to time, all acts and things which the Security Agent deems necessary to protect, preserve or realize upon the Collateral and the Senior Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as the Pledgor might do.

Subject to the terms of the Intercreditor Agreement and anything in this Section 6.1(a) to the contrary notwithstanding, the Security Agent agrees that, except as provided in Section 6.1(b), it will not exercise any rights under the power of attorney provided for in this Section 6.1(a) unless the Enforcement Date shall have occurred.

(b) If the Pledgor fails to perform or comply with any further assurance or perfection obligation contained herein, the Security Agent, at its option, but without any obligation to do so, may perform or comply, or otherwise cause performance or compliance, with such obligation; provided, however, that unless the Enforcement Date has occurred or time is of the essence, the Security Agent shall not exercise this power without first making demand in writing on the Pledgor and the Pledgor failing to comply therewith within 10 Business Days.

(c) Subject to the Finance Documents, the expenses of the Security Agent incurred in connection with actions undertaken as provided in this Section 6.1, together with interest thereon at a rate per annum equal to the rate per annum at which interest would then be payable on past due interest on the Advances under the Senior Facilities Agreement, from the date of payment by the Security Agent to the date reimbursed by the Pledgor, shall be payable by the Pledgor to the Security Agent within 10 Business Days of demand.

(d) The Pledgor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until the end of the Security Period.

6.2 Authorization of Financing Statements. The Security Agent is hereby authorized to file or record financing or continuation statements, and amendments thereto, and other filing or recording documents or instruments with respect to the Collateral in such form and in such offices as the Security Agent reasonably determines appropriate to perfect or maintain the perfection of the security interests of the Security Agent under this Agreement. The Pledgor agrees that such financing statements may describe the collateral in the same manner as described in this Agreement or the other Security Documents or such other description as the Security Agent, in its sole judgment, determines is necessary or advisable. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction. For the avoidance of doubt, this is a permissive right and does not relieve the Pledgor from its obligation as the party responsible for doing all things necessary to perfect the lien granted hereby including filing all financing statements and continuation statements.



6.3 Further Assurances. The Pledgor agrees that from time to time, at the expense of the Pledgor, it shall promptly execute and deliver all further instruments and documents and take all further action that may be necessary or desirable, or that the Security Agent may reasonably request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Security Agent to exercise and enforce its rights and remedies hereunder in respect of any Collateral. Without limiting the generality of the foregoing, the Pledgor shall:

(i) file such financing or continuation statements, or amendments thereto and execute and deliver such other agreements, instruments, endorsements, powers of attorney or notices, as the Security Agent may reasonably request, in order to effect, reflect, perfect and preserve the security interests granted or purported to be granted hereby;

(ii) at the Security Agent's request, appear in and defend any action or proceeding that may affect the Pledgor's title to or the Security Agent's interest in all or any part of the Collateral; and

(iii) following a request in writing from the Security Agent, furnish the Security Agent with such information regarding the Collateral, including, without limitation, the location thereof, as the Security Agent may reasonably request from time to time.

## SECTION 7. LIEN ABSOLUTE; WAIVER OF SURETYSHIP DEFENSES

### 7.1 Lien Absolute, Waivers

(a) All rights of the Security Agent hereunder, and all obligations of the Pledgor hereunder, shall be absolute and unconditional irrespective of, shall not be affected by, and shall remain in full force and effect without regard to, and hereby waives all, rights, claims or defenses that it might otherwise have (now or in the future) with respect to, in each case, each of the following (whether or not the Pledgor has knowledge thereof):

(i) the validity or enforceability of any Finance Document, any of the Secured Obligations or any guarantee or right of offset with respect thereto at any time or from time to time held by any Senior Secured Parties;

(ii) any renewal, extension or acceleration of, or any increase in the amount of the Secured Obligations, or any amendment, supplement, modification or waiver of, or any consent to departure from, any Finance Document;

(iii) any failure or omission to assert or enforce or agreement or election not to assert or enforce, delay in enforcement, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under any Finance Document, at law, in equity or otherwise) with respect to the Secured Obligations or any agreement



relating thereto, or with respect to any other guaranty of or security for the payment and discharge of the Secured Obligations;

(iv) any change, reorganization or termination of the corporate structure or existence of the Pledgor or the Company or any of the Pledgor's Subsidiaries and any corresponding restructuring of the Secured Obligations;

(v) any settlement, compromise, release, or discharge of, or acceptance or refusal of any offer of payment or performance with respect to, or any substitutions for, the Secured Obligations or any subordination of the Secured Obligations to any other obligations;

(vi) the validity, perfection, non-perfection or lapse in perfection, priority or avoidance of any security interest or lien, the release of any or all collateral securing, or purporting to secure, the Secured Obligations or any other impairment of such collateral;

(vii) any exercise of remedies with respect to any security for the Secured Obligations (including, without limitation, any collateral, including the Collateral securing or purporting to secure any of the Secured Obligations) at such time and in such order and in such manner as the Security Agent and the Senior Secured Parties may decide and whether or not every aspect thereof is commercially reasonable and whether or not such action constitutes an election of remedies and even if such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy that the Pledgor would otherwise have and without limiting the generality of the foregoing or any other provisions hereof, the Pledgor hereby expressly waives any and all benefits which might otherwise be available to the Pledgor under applicable law; and

(viii) any other circumstance whatsoever which may or might in any manner or to any extent vary the risk of the Pledgor as an obligor in respect of the Secured Obligations or which constitutes, or might be construed to constitute, an equitable or legal discharge of the Pledgor or the Company for the Secured Obligations, or of the Pledgor under any guarantee contained in any of the Finance Documents or of any security interest granted by the Pledgor, whether in a proceeding brought pursuant to US Bankruptcy Laws (as defined in the Intercreditor Agreement) or in any other instance.

(b) In addition, the Pledgor further waives any and all other defenses, set-offs or counterclaims (other than a defense of payment or performance in full hereunder) which may at any time be available to or be asserted by the Pledgor, the Company or any other Person against any Senior Secured Party, including, without limitation, failure of consideration, breach of warranty, statute of frauds, statute of limitations, accord and satisfaction and usury.

(c) The Pledgor waives diligence, presentment, protest, marshaling, demand for payment, notice of dishonor, notice of default and notice of nonpayment to or upon the Pledgor or the Company with respect to the Secured Obligations. Except for notices provided



for herein, the Pledgor hereby waives notice (to the extent permitted by applicable law) of any kind in connection with this Agreement or any collateral securing the Secured Obligations, including, without limitation, the Collateral. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against the Pledgor, the Security Agent may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Company, the Pledgor or any other Person or against any collateral security or guarantee for the Secured Obligations or any right of offset with respect thereto, and any failure by the Security Agent to make any such demand, to pursue such other rights or remedies or to collect any payments from the Pledgor, the Company or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Pledgor, the Company or any other Person or any such collateral security, guarantee or right of offset, shall not relieve the Pledgor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of any Senior Secured Party against the Pledgor. For the purposes hereof “demand” shall include the commencement and continuance of any legal proceedings.

## SECTION 8. THE SECURITY AGENT

### 8.1 Authority of Security Agent.

(a) The Pledgor acknowledges that the rights and responsibilities of the Security Agent under this Agreement with respect to any action taken by the Security Agent or the exercise or non-exercise by the Security Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Security Agent and the other Senior Secured Parties, be governed by the Intercreditor Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Security Agent and the Pledgor, the Security Agent shall be conclusively presumed to be acting as agent for the Senior Secured Parties with full and valid authority so to act or refrain from acting, and the Pledgor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

(b) The Security Agent has been appointed to act as Security Agent hereunder by the Senior Secured Parties pursuant to the Finance Documents and the Intercreditor Agreement. The Security Agent shall be obligated, and shall have the right hereunder, to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including, without limitation, the release or substitution of Collateral), solely in accordance with this Agreement, the Intercreditor Agreement and the other Finance Documents. The provisions of the Intercreditor Agreement and the other Finance Documents relating to the Security Agent, including without limitation, the provisions relating to resignation or removal of the Security Agent and the powers and duties and immunities of the Security Agent, are incorporated herein by this reference and shall survive any termination of any other Finance Document.

8.2 Duty of Security Agent. The Security Agent’s sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the



Security Agent deals with similar property for its own account. Neither the Security Agent nor any other Senior Secured Party nor any of their respective officers, directors, partners, employees, agents, attorneys or other advisors, attorneys-in-fact or affiliates shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Pledgor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Security Agent hereunder are solely to protect the Senior Secured Parties' interests in the Collateral and shall not impose any duty upon any Senior Secured Party to exercise any such powers. The Senior Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, partners, employees, agents, attorneys and other advisors, attorneys-in-fact or affiliates shall be responsible to the Pledgor for any act or failure to act hereunder, except to the extent that any such act or failure to act is found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from their own gross negligence, fraud, or willful misconduct in breach of a duty owed to the Pledgor.

### 8.3 Exculpation of the Security Agent.

(a) The Security Agent shall not be responsible to any Senior Secured Party for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or of any Security Document or the validity or perfection of any security interest or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by the Security Agent to the Senior Secured Parties or by or on behalf of any Senior Secured Party to the Security Agent or any Senior Secured Party in connection with the Security Documents and the transactions contemplated thereby or for the financial condition or business affairs of the Pledgor, the Company or any other Person liable for the payment of any Secured Obligations, nor shall the Security Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Security Documents or as to the existence or possible existence of any Event of Default or Default (as defined in the Intercreditor Agreement) or to make any disclosures with respect to the foregoing.

(b) Neither the Security Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Senior Secured Parties for any action taken or omitted by the Security Agent under or in connection with any of the Security Documents except to the extent caused solely and proximately by the Security Agent's gross negligence, fraud, or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. The Security Agent shall be entitled to refrain from any act or the taking of any action in connection herewith or any of the Security Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until the Security Agent shall have been instructed in respect thereof by the requisite percentage of holders under the applicable Finance Documents and, upon such instruction, the Security Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such written instructions. Without prejudice to the generality of the foregoing, (i) the Security Agent shall be entitled to rely, and shall be fully protected in



relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for the Pledgor and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Senior Secured Party shall have any right of action whatsoever against the Security Agent as a result of the Security Agent acting or refraining from acting hereunder or under any of the Security Documents in accordance with the Finance Documents or the instructions of the requisite percentage of holders under the applicable Finance Documents.

(c) No direction given to the Security Agent which imposes, or purports to impose, upon the Security Agent any obligation not set forth in or arising under this Agreement or the Intercreditor Agreement accepted or entered into by the Security Agent shall be binding upon the Security Agent.

(d) The Security Agent may resign at any time in accordance with the Finance Documents. After the Security Agent's resignation in accordance with the Finance Documents, the provisions of Section 8 hereof and of the Finance Documents shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Security Agent. Upon the acceptance of any appointment as the Security Agent by a successor Security Agent in accordance with the Finance Documents, the retiring Security Agent shall promptly transfer all Collateral within its possession or control to the possession or control of the successor Security Agent (such transfer to be without recourse to, or representation or warranty by, the retiring Security Agent), and shall execute and deliver such notices, instructions and assignments, in form and substance reasonably satisfactory to the retiring Security Agent and the Pledgor, if the Pledgor is a party thereto, as may be necessary or desirable to transfer the rights of the Security Agent in respect of the Collateral to the successor Security Agent.

8.4 Delegation of Duties. The Security Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Security Document by or through any one or more sub-agents appointed by the Security Agent. The Security Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Article 8 shall apply to any such sub-agent and to any of the Affiliates of the Security Agent and any such sub-agents, and shall apply to their respective activities as if such sub-agent and Affiliates were named herein in connection with the transactions contemplated hereby and by the Security Documents. Notwithstanding anything herein to the contrary, each sub-agent appointed by the Security Agent or Affiliate of the Security Agent or Affiliate of any such sub-agent shall be a third-party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third-party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of the Pledgor, the Company and the Senior Secured Parties, and such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the



consent of such sub-agent or Affiliate acting in such capacity. The Security Agent shall not be liable for the acts or omissions of any such sub-agent or Affiliate.

8.5 No Individual Foreclosure, Etc. No Senior Secured Party shall have any right individually to realize upon any of the Collateral except to the extent expressly contemplated by this Agreement or the other Finance Documents, it being understood and agreed that all powers, rights and remedies under the Finance Documents may be exercised solely by the Security Agent on behalf of the Senior Secured Parties in accordance with the terms thereof. Each Senior Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral provided under the Finance Documents, to have agreed to the foregoing provisions and the other provisions of this Agreement. Without limiting the generality of the foregoing, each Senior Secured Party authorizes the Security Agent to credit bid all or any part of the Secured Obligations held by it.

## SECTION 9. MISCELLANEOUS

9.1 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Pledgor and the Security Agent, provided that any provision of this Agreement imposing obligations on the Pledgor may be waived by the Security Agent in a written instrument executed by the Security Agent in accordance with the Finance Documents.

9.2 Notices. All notices, requests and demands to or upon the Security Agent or the Pledgor hereunder shall be effected in the manner provided for in the Intercreditor Agreement.

9.3 No Waiver by Course of Conduct; Cumulative Remedies. No Senior Secured Party shall by any act (except by a written instrument pursuant to Section 9.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of any Senior Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by any Senior Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such Senior Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

9.4 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of the Pledgor and shall inure to the benefit of the Senior Secured Parties and their successors and assigns; provided that the Pledgor may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Security Agent and any such assignment, transfer or delegation without such consent shall be null and void, except in connection with any assignment or transfer permitted or not prohibited by the other Finance Documents. Without limiting the generality of the foregoing clause (ii),



any Senior Secured Party may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other person in accordance with the relevant Finance Documents, and such other person shall thereupon become vested with all the benefits in respect thereof granted to such Senior Secured Party, herein or otherwise, subject however, to the provisions of the relevant Finance Documents and, in the case of a Senior Secured Party that is a party to a Hedging Agreement, such Hedging Agreement.

The Pledgor agrees that its obligations hereunder and the security interest created hereunder shall continue to be effective or be reinstated, as applicable, if at any time payment, or any part thereof, of all or any part of the Secured Obligations is rescinded or must otherwise be restored by the Senior Secured Party upon the bankruptcy or reorganization of any Pledgor or otherwise.

9.5 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic imaging means), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission (e.g. “pdf” or “tif” format) shall be effective as delivery of a manually executed counterpart hereof.

9.6 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

9.7 Section Headings. The section headings and Table of Contents used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

9.8 Integration/Conflict. This Agreement and the other Finance Documents represent the entire agreement of the Pledgor, the Security Agent and the other Senior Secured Parties with respect to the subject matter hereof and thereof, and supercede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. There are no promises, undertakings, representations or warranties by the Security Agent or any other Senior Secured Parties relative to the subject matter hereof and thereof not expressly set forth or referred to herein or therein. The rights, immunities and indemnities granted in this agreement are in addition to those granted to the Security Agent in the other Finance Documents and not intended to limit the Security Agent’s rights therein.

9.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.



9.10 Waivers. The Pledgor hereby irrevocably and unconditionally:

(a) waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement, any other Finance Document or any other document executed or delivered in connection with the Finance Documents in any court referred to in this Section 9.10(a) (and irrevocably waives to the fullest extent permitted by applicable law the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court);

(b) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover any special, exemplary, punitive or consequential damages; and

(c) appoints the Company, with an office at 122 East 42nd Street, Suite 1611, New York, NY 10168, United States, as its agent for service of process in any matter related to this Agreement and shall provide written evidence of acceptance of such appointment by such agent on or before the date hereof.

9.11 Acknowledgments. The Pledgor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Finance Documents to which it is a party;

(b) no Senior Secured Party has any fiduciary relationship with or duty to the Pledgor arising out of or in connection with this Agreement or any of the other Finance Documents; and

(c) no joint venture is created hereby or by the other Finance Documents or otherwise exists by virtue of the transactions contemplated hereby among the Senior Secured Parties or among the Pledgor and the Senior Secured Parties.

9.12 Releases.

(a) At such time as all the Secured Obligations (other than contingent indemnification obligations not then due) have been paid in full and the commitments under the Finance Documents shall have expired or been sooner terminated, or at such other time as a release of the Collateral is permitted or not prohibited under the Finance Documents, the Collateral shall be released from the Security Interests created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Security Agent and the Pledgor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Pledgor. At the request and sole expense of the Pledgor following any such termination, the Security Agent shall deliver to the Pledgor any Collateral held by the Security Agent hereunder, without recourse to or representation or warranty by, the Security Agent, and execute and deliver to the Pledgor such documents as the Pledgor shall reasonably request to evidence such termination, in each case in form and substance reasonably satisfactory to the Security Agent and the Pledgor, if the Pledgor is a party thereto.



(b) Prior to the date on which all the Secured Obligations (other than contingent indemnification obligations not then due) have been paid in full and the commitments under the Finance Documents shall have expired or been sooner terminated, the Pledgor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement originally filed in connection herewith without the prior written consent of the Security Agent, subject to the Pledgor's rights under Section 9-509(d)(2) of the UCC.

#### 9.13 No Release.

Nothing set forth in this Agreement or any other Finance Document, nor the exercise by the Security Agent of any of the rights or remedies hereunder, shall relieve any Pledgor from the performance of any term, covenant, condition or agreement on the Pledgor's part to be performed or observed under or in respect of any of the Collateral or from any liability to any person under or in respect of any of the Collateral or shall impose any obligation on the Security Agent or any other Senior Secured Party to perform or observe any such term, covenant, condition or agreement on the Pledgor's part to be so performed or observed or shall impose any liability on the Security Agent or any other Senior Secured Party for any act or omission on the part of the Pledgor relating thereto or for any breach of any representation or warranty on the part of the Pledgor contained in this Agreement or the Finance Documents, or under or in respect of the Collateral or made in connection herewith or therewith. Anything herein to the contrary notwithstanding, neither the Security Agent nor any other Senior Secured Party shall have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Security Agent or any other Senior Secured Party be obligated to perform any of the obligations or duties of any Pledgor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder. This Section 9.13 shall survive the termination hereof and the discharge of the Pledgor's other obligations under this Agreement and the Finance Documents.

#### 9.14 No Claims Against Security Agent.

Nothing contained in this Agreement shall constitute any consent or request by the Security Agent, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Collateral or any part thereof, nor as giving any Pledgor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against the Security Agent in respect thereof or any claim that any Security Interest based on the performance of such labor or services or the furnishing of any such materials or other property is prior to the Security Interest hereof.



9.15 Intercreditor Agreement.

Notwithstanding anything herein to the contrary, the Security Interest granted to the Security Agent, for the benefit of the Senior Secured Parties, pursuant to this Agreement and the exercise of any right or remedy by the Security Agent, for the benefit of the Senior Secured Parties, hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement relating to the rights of the Security Agent or the Senior Secured Parties under this Agreement, the terms of the Intercreditor Agreement shall govern.

9.16 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in this Agreement or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of the Security Agent arising under this Agreement, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by the Security Agent; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in the Security Agent, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Finance Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

For the purposes of this Section 9.16:

“Bail-In Action” means the exercise of any Write-down and Conversion Powers.

“Bail-In Legislation” means:

(a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the



recovery and resolution of credit institutions and investment firms, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and

(b) in relation to any other state, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

“EEA Member Country” means any member state of the European Union, Iceland, Liechtenstein and Norway.

“EU Bail-In Legislation Schedule” means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

“Party” means the Pledgor, the Company, the Senior Secured Parties and the Security Agent.

“Resolution Authority” means any body which has authority to exercise any Write-down and Conversion Powers.

“Write-down and Conversion Powers” means:

(a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and

(b) in relation to any other applicable Bail-In Legislation:

(i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that Bail-In Legislation.

*(Remainder of this page intentionally left blank.)*



IN WITNESS WHEREOF, each of the undersigned has caused this Pledge Agreement to be duly executed and delivered as of the date first above written.

CATALYST NEWCO 3 LIMITED

as Pledgor

[REDACTED UNDER  
S859G OF THE  
COMPANIES ACT 2006]

By:

Name

SIMON FREEK

Title:

[REDACTED UNDER S859G OF  
THE COMPANIES ACT 2006]



NATIONAL WESTMINSTER BANK PLC  
as Security Agent

[REDACTED UNDER S859G  
OF THE COMPANIES ACT  
2006]

By:

Name:

IAN MCCARRICK

Title:

[REDACTED UNDER S859G OF  
THE COMPANIES ACT 2006]



IN WITNESS WHEREOF, the undersigned hereby accepts its appointment as agent for service of process in any matter related to this Pledge Agreement in accordance with Section 9.10(c) hereof.

DIGITAL EDUCATION HOLDINGS, INC.

[REDACTED UNDER  
S859G OF THE

By: COMPANIES ACT 2006]

Name: Michelle L. Keist

Title:

[REDACTED UNDER S859G OF  
THE COMPANIES ACT 2006]



Schedule 1

DESCRIPTION OF PLEDGED EQUITY INTERESTS

<u>Pledgor</u>	<u>Issuer</u>	<u>Issuer's Jurisdiction Under New York UCC Section 9- 305(a)(2)</u>	<u>Class</u>	<u>Certificate No.</u>	<u>Percentage of Ownership Interests (per class)</u>	<u>Filing Office</u>
Catalyst NewCo 3 Limited	Digital Education Holdings, Inc.	Delaware	Common stock	2	100%	District of Columbia



Schedule 2

PLEDGOR'S EXACT LEGAL NAME, LOCATION OF JURISDICTION OF  
ORGANIZATION AND CHIEF EXECUTIVE OFFICE

<u>Exact Legal Name</u>	<u>Jurisdiction of Organization</u>	<u>Organizational I.D.</u>	<u>Chief Executive Office</u>
Catalyst NewCo 3 Limited	England and Wales	Registered number: 11635870	Griffin House 161 Hammersmith Road London W6 8BS, United Kingdom