



**Registration of a Charge**

Company Name: **PHLEXGLOBAL LIMITED**

Company Number: **03544670**



Received for filing in Electronic Format on the: **13/04/2022**

XB1TNCLS

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**Details of Charge**

Date of creation: **11/04/2022**

Charge code: **0354 4670 0015**

Persons entitled: **NORDDEUTSCHE LANDESBANK - GIROZENTRALE AS COLLATERAL  
AGENT SECURED PARTIES**

Brief description:

**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: **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: **BURGES SALMON LLP (CH15)**



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

Company number: 3544670

Charge code: 0354 4670 0015

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th April 2022 and created by PHLEXGLOBAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th April 2022 .

Given at Companies House, Cardiff on 22nd April 2022

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



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

## PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (this “**Agreement**”) is made this 11th day of April 2022, between Phlexglobal Limited, a private limited company incorporated in the United Kingdom, with a place of business at Mandeville House, 62 London Road, Amersham, Buckinghamshire, HP7 OHJ, England (“**Pledgor**”) and NORDDEUTSCHE LANDESBANK – GIROZENTRALE –, a German public-law institution with a place of business in Hannover, as collateral agent for the Secured Parties (the “**Collateral Agent**”).

### WITNESSETH:

WHEREAS, the Secured Parties (as hereinafter defined) have made certain credit facilities (collectively, the “**Credit Facilities**”) available to Pledgor’s corporate parent, PharmaLex GmbH, a *Gesellschaft mit beschränkter Haftung* incorporated in the Federal Republic of Germany, with a place of business in Bahnstraße, 42-46, 61381 Friedrichsdorf, Germany (the “**Borrower**”) pursuant to a Facility Agreement originally dated June 13, 2014 (as amended on 13 October 2014, 27 July 2015, 10 September 2015, 1 July 2016, 31 March 2017, 1 December 2017, 26 July 2019, 21 January 2020, 8 December 2020, 22 July 2021, and 14 December 2021) entered into by and between the Secured Parties and Borrower (the “**Credit Agreement**”); and

WHEREAS, Pledgor is liable for the obligations of the Borrower under the Credit Agreement pursuant to a Guarantee dated on or near February 3, 2022, entered into by Pledgor in favor of Secured Parties; and

WHEREAS, Pledgor legally and beneficially owns the Equity Interests (as hereinafter defined) in the Issuers (as hereinafter defined); and

WHEREAS, in order to induce the Secured Parties to continue the Credit Facilities, Pledgor has agreed to enter into this Agreement;

NOW, THEREFORE, in consideration of the Credit Facilities and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged by Pledgor, Pledgor does hereby agree as follows:

1. Definitions and Construction.

(a) Definitions. All initially capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in the Credit Agreement. As used in this Agreement:

“**Bankruptcy Code**” means the United States Bankruptcy Code (11 U.S.C. Section 101 et seq.), as in effect from time to time, and any successor statute thereto.

**“Business Day”** means any day that is not a Saturday, Sunday, or other day on which national banks in Hannover, Germany, and Luxembourg City, Luxembourg, are authorized or required to close.

**“Code”** means the Delaware Uniform Commercial Code, as it may be amended or supplemented from time to time.

**“Collateral”** means the Pledged Interests, the Future Rights, and the Proceeds, collectively.

**“Equity Interests”** means all securities, shares, units, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company, or similar entity, whether voting or nonvoting, certificated or uncertificated, including general partner partnership interests, limited partner partnership interests, common stock, preferred stock, or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934).

**“Event of Default”** has the meaning given that term in Section 2.30 of the Credit Agreement.

**“Finance Documents”** has the meaning given that term in Section 2.9 of the Credit Agreement.

**“Guarantor”** means any person or entity that now or hereafter incurs an obligation, contingent or otherwise, having the economic effect of guaranteeing any of the Secured Claims.

**“Future Rights”** means: (a) all Equity Interests (other than Pledged Interests) of the Issuers, and all securities convertible or exchangeable into, and all warrants, options, or other rights to purchase, Equity Interests of the Issuers; and (b) the certificates or instruments representing such Equity Interests, convertible or exchangeable securities, warrants, and other rights and all dividends, cash, options, warrants, rights, instruments, 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 Equity Interests.

**“Holder”** and **“Holders”** have the meanings ascribed thereto in Section 3 of this Agreement.

**“Issuers”** means each of the persons or entities identified as an Issuer on Schedule 1 attached hereto (or any addendum thereto), and any successors thereto, whether by merger or otherwise.

**“Lien”** means any lien, mortgage, pledge, assignment (including any assignment of rights to receive payments of money), security interest, charge, or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, or any agreement to give any security interest).

**“Pledged Interests”** means (a) all Equity Interests of the Issuers identified on Schedule 1; and (b) the certificates or instruments representing such Equity Interests.

**“Proceeds”** means all proceeds (including proceeds of proceeds) of the Pledged Interests and Future Rights including all: (a) rights, benefits, distributions, premiums, profits, dividends, interest, cash, instruments, documents of title, accounts, contract rights, inventory, equipment, general intangibles, payment intangibles, deposit accounts, chattel paper, and other property from time to time received, receivable, or otherwise distributed in respect of or in exchange for, or as a replacement of or a substitution for, any of the Pledged Interests, Future Rights, or proceeds thereof (including any cash, Equity Interests, or other securities or instruments issued after any recapitalization, readjustment, reclassification, merger or consolidation with respect to the Issuers and any security entitlements, as defined in Section 8-102(a)(17) of the Code, with respect thereto); (b) “proceeds,” as such term is defined in Section 9-102(64) of the Code; (c) proceeds of any insurance, indemnity, warranty, or guaranty (including guaranties of delivery) payable from time to time with respect to any of the Pledged Interests, Future Rights, or proceeds thereof; (d) payments (in any form whatsoever) made or due and payable to Pledgor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Pledged Interests, Future Rights, or proceeds thereof; and (e) other amounts from time to time paid or payable under or in connection with any of the Pledged Interests, Future Rights, or proceeds thereof.

**“Registered Organization”** shall have the meaning ascribed thereto in Section 9-102(71) of the Code.

**“Secured Claims”** means all the current and future claims, including contingent, time-limited, or statutory claims of any Secured Party against Pledgor or any Guarantor under or in connection with the Finance Documents including all costs, fees and expenses in connection with the protection, preservation and enforcement of their rights under the Finance Documents. The Secured Claims also include principal, interest, costs, fees, claims for damages or unjust enrichment, or other claims against Pledgor or any Guarantor and – in case of the Pledgor - under or in connection with Section 103 of the Germany Insolvency Code (Insolvenzordnung).

**“Secured Parties”** means any person or entity that is, from time to time, a “Lender” or “Darlehensgeber,” as defined in the Credit Agreement, and **“Secured Party”** means any of the Secured Parties.

**“Securities Act”** shall have the meaning ascribed thereto in Section 9(c) of this Agreement.

(b) Construction.

(i) Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular and to the singular include the plural, the part includes the whole, the term “including” is not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words

“hereof,” “herein,” “hereby,” “hereunder,” and other similar terms in this Agreement refer to this Agreement as a whole and not exclusively to any particular provision of this Agreement. Article, section, subsection, exhibit, and schedule references are to this Agreement unless otherwise specified. All of the exhibits or schedules attached to this Agreement shall be deemed incorporated herein by reference. Any reference to any of the following documents includes any and all alterations, amendments, restatements, extensions, modifications, renewals, or supplements thereto or thereof, as applicable: this Agreement, the Credit Agreement, or any of the other Finance Documents.

(ii) Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Collateral Agent or Pledgor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by both of the parties and their respective counsel and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

(iii) In the event of any direct conflict between the express terms and provisions of this Agreement and of the Credit Agreement, the terms and provisions of the Credit Agreement shall control.

2. Pledge. As security for the prompt payment and performance of the Secured Claims in full by Pledgor when due, whether at stated maturity, by acceleration or otherwise (including amounts that would become due but for the operation of the provisions of the Bankruptcy Code), Pledgor hereby pledges, grants, transfers, and collaterally assigns to Collateral Agent, for the benefit of the Secured Parties, a security interest in all of Pledgor's right, title, and interest in and to the Collateral.

3. Delivery and Registration of Collateral.

(a) All certificates or instruments representing or evidencing the Collateral shall be promptly delivered by Pledgor to Collateral Agent or Collateral Agent's designee pursuant hereto at a location designated by Collateral Agent and shall be held by or on behalf of Collateral Agent pursuant hereto, and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed indorsement certificate in the form attached hereto as Exhibit A or other instrument of transfer or assignment in blank, in form and substance satisfactory to Collateral Agent.

(b) Upon the occurrence and during the continuance of an Event of Default, Collateral Agent shall have the right, at any time in its discretion, after the delivery of at least one (1) Business Day's prior written notice to Pledgor, to transfer to or to register on the books of the Issuers (or of any other person or entity maintaining records with respect to the Collateral) in the name of Collateral Agent, on behalf of the Secured Parties, or any of its nominees any or all of the Collateral. In addition, Collateral Agent shall have the right at any time to require the Pledgor to deliver exchange certificates or instruments representing or evidencing Collateral for certificates or instruments of smaller or larger denominations.

(c) If, at any time and from time to time, any Collateral (including any certificate or instrument representing or evidencing any Collateral) is in the possession of a person or entity other than Collateral Agent or Pledgor (a “**Holder**”), then Pledgor shall promptly, at Collateral Agent’s option, either cause such Collateral to be delivered into Collateral Agent’s possession, or cause such Holder to enter into a control agreement, in form and substance reasonably satisfactory to Collateral Agent, and take all other steps deemed necessary by Collateral Agent to perfect the security interest of Collateral Agent, on behalf of the Secured Parties in such Collateral, all pursuant to Sections 9-106 and 9-313 of the Code or other applicable law governing the perfection of the security interest granted hereunder in the Collateral that is in the possession of such Holder.

(d) Any and all Collateral (including dividends, interest, and other cash distributions) at any time received or held by Pledgor shall be so received or held in trust for Collateral Agent, shall be segregated from other funds and property of Pledgor and shall be promptly delivered to Collateral Agent in the same form as so received or held, with any necessary indorsements; provided that cash dividends or distributions received by Pledgor, may be retained by Pledgor in accordance with Section 4 and used in the ordinary course of Pledgor's business.

(e) If at any time, and from time to time, any Collateral consists of an uncertificated security or a security in book entry form, then Pledgor shall promptly cause such Collateral to be registered or entered, as the case may be, in the name of Collateral Agent, as agent of the Secured Parties, or otherwise cause the Collateral Agent’s security interest therein to be perfected in accordance with applicable law.

#### 4. Voting Rights and Dividends.

(a) So long as no Event of Default shall have occurred and be continuing, Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Collateral or any part thereof for any purpose not inconsistent with the terms of the Finance Documents and shall be entitled to receive and retain any cash dividends or distributions paid or distributed in respect of the Collateral.

(b) Upon the occurrence and during the continuance of an Event of Default and after the delivery by the Collateral Agent of at least one (1) Business Day’s prior written notice, all rights of Pledgor to exercise the voting and other consensual rights or receive and retain cash dividends or distributions that it would otherwise be entitled to exercise or receive and retain, as applicable pursuant to Section 4(a), shall cease, and all such rights shall thereupon become vested in Collateral Agent, who shall thereupon have the sole right to exercise such voting or other consensual rights and to receive and retain for the benefit of Secured Parties such cash dividends and distributions. Pledgor shall execute and deliver (or cause to be executed and delivered) to Collateral Agent all such proxies and other instruments as Collateral Agent may reasonably request for the purpose of enabling Collateral Agent to exercise the voting and other rights which it is entitled to exercise and to receive the dividends and distributions that it is entitled to receive and retain for the benefit of Secured Parties pursuant to the preceding sentence.

5. Representations and Warranties. Pledgor represents, warrants, and covenants as follows:

(a) Pledgor has taken all steps it deems necessary or appropriate to be informed on a continuing basis of changes or potential changes affecting the Collateral (including rights of conversion and exchange, rights to subscribe, payment of dividends, reorganizations or recapitalization, tender offers and voting and registration rights), and Pledgor agrees that Collateral Agent shall have no responsibility or liability for informing Pledgor of any such changes or potential changes or for taking any action or omitting to take any action with respect thereto.

(b) Pledgor is not a Registered Organization organized under the laws of any state in the United States. Pledgor's chief executive office is located in the city and jurisdiction identified in the preamble to this Agreement. Pledgor has no office or other place of business in the United States, excluding for the avoidance of doubt, any office or place of business of a subsidiary or affiliate and not of Pledgor which in any event would not be considered a "Place of Business" within the meaning of Section 9-307 of the Code. The Issuers are Registered Organizations, organized under the laws of the state(s) set forth on Schedule 2. The Issuer(s) type of organization is set forth on Schedule 2.

(c) All information herein or hereafter supplied to Collateral Agent by or on behalf of Pledgor in writing with respect to the Collateral is, or in the case of information hereafter supplied will be, accurate and complete in all material respects.

(d) Pledgor is and will be the sole legal and beneficial owner of the Collateral (including the Pledged Interests and all other Collateral acquired by Pledgor after the date hereof) free and clear of any adverse claim, Lien, or other right, title, or interest of any party, other than the Liens in favor of Collateral Agent, as agent for the Secured Parties, or other Liens permitted under the Credit Agreement.

(e) This Agreement, and the delivery to Collateral Agent of the Pledged Interests representing Collateral (or the control agreements referred to in Section 3 of this Agreement), creates a valid, perfected, and first priority security interest in one hundred percent (100%) of the Pledged Interests in favor of Collateral Agent, for the benefit of the Secured Parties, securing payment of the Secured Claims, and all actions necessary to achieve such perfection have been duly taken.

(f) The description of the Pledged Interests set forth on Schedule 1 to this Agreement is true and correct and complete in all material respects. Without limiting the generality of the foregoing: (i) except as set forth on Schedule 1, all the Pledged Interests are in certificated form, and, except to the extent registered in the name of Collateral Agent, as agent for the Secured Parties or their respective nominees pursuant to the provisions of this Agreement, are registered in the name of Pledgor; and (ii) the Pledged Interests as to each of the Issuers constitute at least the percentage of all the fully diluted issued and outstanding Equity



Interests of such Issuer as set forth in Schedule 1 to this Agreement. For the avoidance of doubt, the foregoing shall not be interpreted to imply the existence of any past dilution event.

(g) There are no presently existing Future Rights or Proceeds owned by Pledgor.

(h) The Pledged Interests have been duly authorized and validly issued and are fully paid and nonassessable.

(i) Neither the pledge of the Collateral pursuant to this Agreement nor the extensions of credit represented by the Secured Claims violates Regulation T, U or X of the Board of Governors of the Federal Reserve System.

6. Further Assurances.

(a) Pledgor agrees that from time to time, at the expense of Pledgor, Pledgor will promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or that Collateral Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Pledgor will: (i) at the request of Collateral Agent, mark conspicuously each of its records pertaining to the Collateral with a legend, in form and substance reasonably satisfactory to Collateral Agent, indicating that such Collateral is subject to the security interest granted hereby; (ii) execute and deliver such instruments or notices, as may be necessary or as Collateral Agent may reasonably request, in order to perfect and preserve the first priority security interests granted or purported to be granted hereby; and (iii) appear in and defend any action or proceeding that may affect Pledgor's title to or the security interest granted hereby in the Collateral.

(b) Pledgor hereby authorizes Collateral Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral.

7. Covenants of Pledgor. Pledgor shall:

(a) Prevent the Issuers from issuing Future Rights or Proceeds, except for cash dividends and other distributions to be paid by any Issuer to Pledgor unless such Future Rights or Proceeds are collaterally assigned and delivered (if applicable) to the Collateral Agent in accordance with the terms of this Agreement; and

(b) Upon receipt by Pledgor of any material notice, report, or other communication from any of the Issuers or any Holder relating to all or any part of the Collateral, deliver such notice, report or other communication to Collateral Agent as soon as possible, but in no event later than five (5) days following the receipt thereof by Pledgor.

8. Collateral Agent as Pledgor's Attorney-in-Fact.

(a) Pledgor hereby irrevocably appoints Collateral Agent as Pledgor's attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor, Collateral Agent or otherwise, from time to time at Collateral Agent's discretion, to take any action and to execute any instrument that Collateral Agent may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including: (i) upon the occurrence and during the continuance of an Event of Default, to receive, indorse, and collect all instruments made payable to Pledgor representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof to the extent permitted hereunder and to give full discharge for the same and to execute and file governmental notifications and reporting forms; (ii) to enter into any control agreements Collateral Agent deems necessary pursuant to Section 3 of this Agreement; or (iii) subject to the notice required by Section 4(b), to arrange for the transfer of the Collateral on the books of any of the Issuers or any other person or entity to the name of Collateral Agent or to the name of Collateral Agent's nominee.

(b) In addition to the designation of Collateral Agent as Pledgor's attorney-in-fact in subsection (a), Pledgor hereby irrevocably appoints Collateral Agent as Pledgor's agent and attorney-in-fact to make, execute and deliver any and all documents and writings which may be necessary or appropriate for approval of, or be required by, any regulatory authority located in any city, county, state or country where Pledgor or any of the Issuers engage in business, in order to transfer or to more effectively transfer any of the Pledged Interests or otherwise enforce Collateral Agent's rights hereunder.

9. Remedies upon Default. Upon the occurrence and during the continuance of an Event of Default and subject to the notice required by Section 4(b):

(a) Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Code (irrespective of whether the Code applies to the affected items of Collateral), and Collateral Agent may also without notice (except as specified below) sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or at any of Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as Collateral Agent may deem commercially reasonable, irrespective of the impact of any such sales on the market price of the Collateral. To the maximum extent permitted by applicable law, any Secured Party may be the purchaser of any or all of the Collateral at any such sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply all or any part of the Secured Claims as a credit on account of the purchase price of any Collateral payable at such sale. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of Pledgor, and Pledgor hereby waives (to the extent permitted by law) all rights of redemption, stay, or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Pledgor agrees that, to the extent notice of sale shall be required by law, at least ten (10) calendar days' notice to Pledgor of the time and place of any public sale or the time after which a private sale is to be made shall constitute reasonable notification. Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given.

Collateral 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. To the maximum extent permitted by law, Pledgor hereby waives any claims against Collateral Agent and all Secured Parties arising because the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree.

(b) Pledgor hereby agrees that any sale or other disposition of the Collateral conducted in conformity with reasonable commercial practices of banks, insurance companies, or other financial institutions in the city and state where Collateral Agent is located in disposing of property similar to the Collateral shall be deemed to be commercially reasonable.

(c) Pledgor hereby acknowledges that the sale by Collateral Agent of any Collateral pursuant to the terms hereof in compliance with the Securities Act of 1933 as now in effect or as hereafter amended, or any similar statute hereafter adopted with similar purpose or effect (the “**Securities Act**”), as well as applicable “Blue Sky” or other state securities laws, may require strict limitations as to the manner in which Collateral Agent or any subsequent transferee of the Collateral may dispose thereof. Pledgor acknowledges and agrees that in order to protect Collateral Agent’s and Secured Parties’ interest it may be necessary to sell the Collateral at a price less than the maximum price attainable if a sale were delayed or were made in another manner, such as a public offering under the Securities Act. Pledgor has no objection to sale in such a manner and agrees that Collateral Agent shall have no obligation to obtain the maximum possible price for the Collateral. Without limiting the generality of the foregoing, Pledgor agrees that, upon the occurrence and during the continuation of an Event of Default, Collateral Agent may, subject to applicable law, from time to time attempt to sell all or any part of the Collateral by a private placement, restricting the bidders and prospective purchasers to those who will represent and agree that they are purchasing for investment only and not for distribution. In so doing, Collateral Agent may solicit offers to buy the Collateral or any part thereof for cash, from a limited number of investors reasonably believed by Collateral Agent to be institutional investors or other accredited investors who might be interested in purchasing the Collateral. If Collateral Agent shall solicit such offers, then the acceptance by Collateral Agent of one of the offers shall be deemed to be a commercially reasonable method of disposition of the Collateral.

(d) If Collateral Agent shall determine to exercise its right to sell all or any portion of the Collateral pursuant to this Section, Pledgor agrees that, upon request of Collateral Agent, Pledgor will, at its own expense:

(i) execute and deliver, and use its commercially reasonable efforts to cause the Issuers and the directors and officers thereof to execute and deliver, all such instruments and documents, and to do or cause to be done all such other acts and things, as may be necessary or, in the opinion of Collateral Agent, advisable to register such Collateral under the provisions of the Securities Act, and to cause the registration statement relating thereto to become effective and to remain effective for such period as prospectuses are required by law to be furnished, and to make all amendments and supplements thereto and to the related prospectuses which, in the

opinion of Collateral Agent, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto;

(ii) use its commercially reasonable efforts to qualify the Collateral under the state securities laws or "Blue Sky" laws and to obtain all necessary governmental approvals for the sale of the Collateral, as requested by Collateral Agent;

(iii) execute and deliver, or use its commercially reasonable efforts to cause the officers and directors of the Issuers to execute and deliver, to any person, entity or governmental authority as Collateral Agent may choose, any and all documents and writings which, in Collateral Agent's reasonable judgment, may be necessary or appropriate for approval, or be required by, any regulatory authority located in any city, county, state or country where Pledgor or the Issuers engage in business, in order to transfer or to more effectively transfer the Pledged Interests or otherwise enforce Collateral Agent's rights hereunder; and

(iv) do or cause to be done all such other acts and things as may be reasonably necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

Pledgor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements contained in this Section may be specifically enforced.

(e) PLEDGOR EXPRESSLY WAIVES TO THE MAXIMUM EXTENT PERMITTED BY LAW: (i) ANY CONSTITUTIONAL OR OTHER RIGHT TO A JUDICIAL HEARING PRIOR TO THE TIME COLLATERAL AGENT DISPOSES OF ALL OR ANY PART OF THE COLLATERAL AS PROVIDED IN THIS SECTION; (ii) ALL RIGHTS OF REDEMPTION, STAY, OR APPRAISAL THAT IT NOW HAS OR MAY AT ANY TIME IN THE FUTURE HAVE UNDER ANY RULE OF LAW OR STATUTE NOW EXISTING OR HEREFTER ENACTED; AND (iii) EXCEPT AS SET FORTH IN SUBSECTION (a) OF THIS SECTION 9, ANY REQUIREMENT OF NOTICE, DEMAND, OR ADVERTISEMENT FOR SALE.

10. Application of Proceeds. Upon the occurrence and during the continuance of an Event of Default, any cash held by Collateral Agent as Collateral and all cash Proceeds received by Collateral Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral pursuant to the exercise by Collateral Agent of its remedies as a secured creditor as provided in Section 9 shall be paid over to Secured Parties to be applied from time to time by Secured Parties as provided in the Finance Documents.

11. Indemnity and Expenses. Pledgor agrees, subject to and without duplication of the indemnification and expense reimbursement provisions of the Credit Agreement:

(a) To indemnify and hold harmless Collateral Agent and each Secured Party and each of their respective directors, officers, employees, agents and affiliates from and against any and all claims, damages, demands, losses, obligations, judgments and liabilities (including, without limitation, reasonable and documented attorneys' fees and expenses) in any way arising out of or in connection with this Agreement or the Secured Claims, except to the extent the same shall arise as a result of the gross negligence or willful misconduct of the party seeking to be indemnified; and

(b) To pay and reimburse Collateral Agent within ten (10) days of receipt of written demand for all reasonable and documented costs and expenses (including, without limitation, reasonable and documented attorneys' fees and expenses) that Collateral Agent incurs in connection with (i) the custody, use or preservation of, or the sale of, collection from or other realization upon, any of the Collateral, including the reasonable expenses of re-taking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, (ii) the exercise or enforcement of any rights or remedies granted hereunder, under the Credit Agreement, or under any of the other Finance Documents or otherwise available to it (whether at law, in equity or otherwise), or (iii) the failure by Pledgor to perform or observe any of the provisions hereof. The provisions of this Section shall survive the execution and delivery of this Agreement, the repayment of any of the Secured Claims, the termination of the commitments of Secured Parties under the Credit Agreement and the termination of this Agreement or any other Credit Document.

12. Duties of Collateral Agent. The powers conferred on Collateral Agent hereunder are solely to protect its interests in the Collateral and shall not impose on it any duty to exercise such powers. Except as provided in Section 9-207 of the Code, Collateral Agent shall have no duty with respect to the Collateral or any responsibility for taking any necessary steps to preserve rights against any persons or entities with respect to any Collateral.

13. Consent to Jurisdiction. Pledgor hereby irrevocably and unconditionally (a) submits to personal jurisdiction in the State of Delaware over any suit, action or proceeding arising out of or relating to this Agreement, and (b) waives any and all personal rights under the laws of any state to object to jurisdiction within the State of Delaware or venue in any particular forum within the State of Delaware. Nothing contained herein, however, shall prevent Collateral Agent from bringing any suit, action or proceeding or exercising any rights against any security and against Pledgor personally, and against any property of Pledgor, within any other state. Initiating such suit, action or proceeding or taking such action in any state shall in no event constitute a waiver of the agreement contained herein that the laws of the State of Delaware shall govern the rights and obligations of the parties hereunder or of the submission herein made by Pledgor to personal jurisdiction within the State of Delaware.

14. Amendments; etc. This Agreement and each and all of the provisions hereof cannot be altered, modified, amended, waived, extended, changed, discharged, or terminated orally or by any act of Pledgor or Collateral Agent, but only by an agreement in writing signed by both the Pledgor and the Collateral Agent. No failure to exercise and no delay in exercising, on the part of Collateral Agent, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude

any other or further exercise thereof or the exercise of any other right, power or privilege. No remedy herein conferred upon or reserved to Collateral Agent is intended to be exclusive of any other remedy or remedies available to Collateral Agent under this Agreement, the other Finance Documents, at law, in equity or by statute, and each and every such remedy shall be cumulative and in addition to every other remedy given hereunder under the other Finance Documents, or now or hereafter existing at law, in equity or by statute.

15. Notices. (a) All notices, consents, approvals, statements, requests, reports, demands, instruments or other communications to be made, given or furnished pursuant to or under this Agreement (each, a “**Notice**”) will be in writing and will be deemed made, given or furnished if addressed to the party intended to receive the same at the address of such party as set forth below (i) upon receipt when personally delivered at such address, (ii) if by way of letter, when such letter has been left at the relevant address or (5) Business Days (if earlier) after being deposited in the post, postage prepaid, in an envelope addressed to the relevant party at such address, or (iii) (1) Business Day after the date of delivery of such Notice to a worldwide, reputable commercial courier service specifying international overnight delivery:

(i) If to Pledgor:

Phlexglobal Limited  
Mandeville House  
62 London Road  
Amersham, Buckinghamshire, HP7 OHJ, England  
Attention: Tony Johnson, CFO  
[TJohnson@phlexglobal.com](mailto:TJohnson@phlexglobal.com)

With a copy to:

Auctus Capital Partners AG  
Prinzregentenstr. 18, D-80538 München  
61381 Friedrichsdorf, Germany  
Attention: Herrn Dr. Nikolas Himmelmann, Herrn Benjamin Seifert

(ii) If to Collateral Agent:

Norddeutsche Landesbank –Girozentrale–  
Friedrichswall 10, 30159  
Hannover, Germany

Any party may change the address to which any Notice is to be delivered to any other address (which in the case of Pledgor shall be an address within the United States of America or the Federal Republic of Germany) by furnishing written Notice of such change at least fifteen (15) days prior to the effective date of such change to the other parties in the manner set forth above, but no such Notice of change will be effective unless and until received by such other parties. Rejection or refusal to accept, or inability to deliver because of changed address or because no Notice of changed address was given, will be deemed to be receipt of any such

Notice. Any Notice to an entity will be deemed to be given on the date specified in this paragraph, without regard to when such Notice is delivered by the entity to the individual to whose attention it is directed and without regard to the fact that proper delivery may be refused by someone other than the individual to whose attention it is directed. If a Notice is received by an entity, the fact that the individual to whose attention it is directed is no longer at such address or associated with such entity will not affect the effectiveness of such Notice. Notices may be given on behalf of any party by such party's attorneys.

16. Continuing Security Interest. This Agreement shall create a continuing security interest in the Collateral and shall: (a) remain in full force and effect until the payment in full of the Secured Claims (other than unasserted contingent indemnification obligations), including the cash collateralization, expiration, or cancellation of all Secured Claims, if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Credit Agreement; (b) be binding upon Pledgor and its successors and assigns; and (c) inure to the benefit of Collateral Agent, Secured Parties and their respective successors, transferees, and assigns. Upon the payment in full of the Secured Claims (other than unasserted contingent indemnification obligations), including the cash collateralization, expiration, or cancellation of all Secured Claims, if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Credit Agreement, the security interests granted herein shall automatically terminate and all rights to the Collateral shall revert to Pledgor. Upon any such termination, Collateral Agent will, at Pledgor's expense, execute and deliver to Pledgor such documents as Pledgor shall reasonably request to evidence such termination. Such documents shall be prepared by Pledgor and shall be in form and substance reasonably satisfactory to Collateral Agent.

17. Security Interest Absolute. To the maximum extent permitted by law, all rights of Collateral Agent, all security interests hereunder, and all obligations of Pledgor hereunder, shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of any of the Secured Claims or any other agreement or instrument relating thereto, including any of the Finance Documents;

(b) any change in the time, manner, or place of payment of, or in any other term of, all or any of the Secured Claims, or any other amendment or waiver of or any consent to any departure from any of the Finance Documents, or any other agreement or instrument relating thereto;

(c) any exchange, release, or non-perfection of any other collateral, or any release or amendment or waiver of or consent to departure from any instrument evidencing or guaranty of all or any of the Secured Claims; or

(d) any other circumstances that might otherwise constitute a defense available to, or a discharge of, Pledgor.

18. Headings. The captions or headings at the beginning of each paragraph hereof are for the convenience of the parties hereto and are not a part of this Agreement.

19. Severability. If any term or provision of this Agreement or the application thereof to any party or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to parties or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the maximum extent permitted by law.

20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

21. Waiver of Marshaling. Each of Pledgor and Collateral Agent acknowledges and agrees that in exercising any rights under or with respect to the Collateral: (a) Collateral Agent is under no obligation to marshal any Collateral; (b) may, in its absolute discretion, realize upon the Collateral in any order and in any manner it so elects; and (c) may, in its absolute discretion, pay the proceeds of any or all of the Collateral over to the Secured Parties for application to the Secured Claims in any order and in any manner they so elect. Pledgor and Collateral Agent waive any right to require the marshaling of any of the Collateral.

22. Jury Trial. IN RECOGNITION OF THE HIGHER COSTS AND DELAY WHICH MAY RESULT FROM A JURY TRIAL, THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING HEREUNDER, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY DISCUSSED BY THE PARTIES, AND THESE PROVISIONS SHALL NOT BE SUBJECT TO ANY EXCEPTIONS. NEITHER PARTY HAS AGREED WITH OR REPRESENTED TO THE OTHER THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

**REMAINDER OF PAGE INTENTIONALLY BLANK  
SIGNATURE PAGE FOLLOWS**



## SIGNATURE PAGE TO PLEDGE AGREEMENT

IN WITNESS WHEREOF, Pledgor has caused this Agreement to be duly executed and delivered by their officers thereunto duly authorized as of the date first written above.

PHLEXGLOBAL LIMITED

By: 

Name: Thomas DOBMEYER

Title: CEO

NORDDEUTSCHE LANDESBANK –  
GIROZENTRALE -

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SIGNATURE PAGE TO PLEDGE AGREEMENT**

IN WITNESS WHEREOF, Pledgor has caused this Agreement to be duly executed and delivered by their officers thereunto duly authorized as of the date first written above.

PHLEXGLOBAL LIMITED

By: \_\_\_\_\_  
Name:  
Title:

NORDDEUTSCHE LANDESBANK –  
GIROZENTRALE -

By: \_\_\_\_\_  
Name: PRITSCH  
Title:

By: \_\_\_\_\_  
Name:  
Title: Nockemann

**Schedule 1**  
**Pledged Interests**

<b><u>Name of Issuer</u></b>	<b><u>Jurisdiction of Organization</u></b>	<b><u>Type of Interest</u></b>	<b><u>Number of Shares</u></b>	<b><u>Certificate Number(s)</u></b>	<b><u>Percentage of Outstanding Interests in Issuer</u></b>
Phlexglobal, Inc.	Delaware	Corporate stock	1,000	3	100%

**Schedule 2**  
**Issuer Information (Phlexglobal, Inc.)**

Jurisdiction of Organization: Delaware

Type of Organization: Corporation

**Exhibit A**

**Indorsement Certificate**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer unto \_\_\_\_\_, a one hundred percent (100%) interest in Phlexglobal, Inc. (the “**Issuer**”) standing in the undersigned’s name on the books of the Issuer represented by Certificate No. 3, and does hereby irrevocably constitute and appoint \_\_\_\_\_ as the undersigned’s attorney-in-fact to transfer the said securities on the books of the Issuer with full power of substitution in the premises.

Date: \_\_\_\_\_

PHLEXGLOBAL LIMITED

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_