



Registration of a Charge

Company name: **LAIRD LIMITED**

Company number: **00055513**



X7KKZV06

Received for Electronic Filing: **11/12/2018**

Details of Charge

Date of creation: **27/11/2018**

Charge code: **0005 5513 0004**

Persons entitled: **WILMINGTON TRUST (LONDON) LIMITED**

Brief description: **N/A**

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ANDREW MORRIS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 55513

Charge code: 0005 5513 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th November 2018 and created by LAIRD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th December 2018 .

Given at Companies House, Cardiff on 12th December 2018

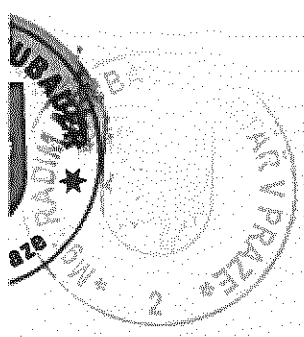
The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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



**AGREEMENT ON
JUNIOR PLEDGE OF OWNERSHIP INTEREST**

Between

WILMINGTON TRUST (LONDON) LIMITED
as Pledgee

and

LAIRD LIMITED
as Pledgor

and

LAIRD S.R.O.
as Company

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THIS AGREEMENT (this "Agreement") is entered into on 27 November 2018

BETWEEN:

- (1) **Wilmington Trust (London) Limited**, a company incorporated and organised under the laws of England and Wales with company no. 05650152 and registered office at Third Floor, 1 King's Arms Yard, EC2R 7AF London, United Kingdom (the "**Pledgee**");
- (2) **Laird Limited** (formerly Laird plc), a company incorporated and organised under the laws of England and Wales with company no. 00055513 and registered office at 100 Pall Mall, SW1Y5NQ London, United Kingdom (the "**Pledgor**"); and
- (3) **Laird s.r.o.**, a company incorporated and organised under the laws of the Czech Republic with company no. (in Czech: *IČO*) 270 74 081 and registered office at Průmyslová 497, Liberec XXIII-Doubí, 463 12 Liberec, Czech Republic, registered in the Commercial Register maintained by the Regional Court in Ústí nad Labem, section C, file no. 20944 (the "**Company**", and together with the Pledgee and the Pledgor the "**Parties**").

WHEREAS:

- (A) Loan facility is to be made available under the Second Lien Facility Agreement (as defined below) to, among other things, finance the consideration for the contemplated acquisition by AI Ladder Limited of the entire issued share capital of the Pledgor and to refinance or otherwise discharge the existing indebtedness of the Pledgor's group.
- (B) The Company has acceded to the Second Lien Facility Agreement as the Guarantor (as defined below) and to the Intercreditor Agreement (as defined below) as the Debtor (as defined below).
- (C) It is a condition for the loan facility being made available and/or utilised under the Second Lien Facility Agreement, that security be created over, among other things, the Ownership Interest (as defined below) to secure the Secured Obligations (as defined below) of the Company.
- (D) The terms of and entering into this Agreement were approved by:
 - (i) the resolution of the Pledgor, acting in its capacity as the sole shareholder of the Company in lieu of the general meeting of the Company, of 20 November 2018; and
 - (ii) by the resolution of the directors of the Company of 27 November 2018.
- (E) Before entering into this Agreement, the Agreement on Pledge of Ownership Interest (as defined below) was entered into on 27 November 2018 between the Pledgor and the Pledgee and the Senior Pledge (as defined below) securing all the secured obligations specified in the Agreement on Pledge of Ownership Interest was created and is to be formed by its registration in the Commercial Register (as defined below).

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceleration Event" means any of the following:

- (i) Second Lien Lender Acceleration Event; or
- (ii) Second Lien Notes Acceleration Event;

with each such term having the meaning given to it in the Intercreditor Agreement.

"Agreement on Pledge of Ownership Interest" shall mean the agreement on pledge of Ownership Interest entered into by the Pledgor and the Pledgee before this Agreement on 27 November 2018.

"Assignment Certificate" means the certificate referred to in Clause 8.2(c) of this Agreement below and substantially in the form set forth in the Schedule 1 (*Assignment Certificate Form*).

"Business Day" means any day (other than Saturday, Sunday or public holiday in the Czech Republic) on which banks are open for general business in Prague.

"Commercial Register" means the commercial register (in Czech: *obchodní rejstřík*) within the meaning of Section 1 (1) of the Czech Public Registers Act administered by the competent court.

"Czech Civil Code" means the Czech Act No. 89/2012 Coll., the Civil Code, as amended.

"Czech Companies Act" means the Czech Act No. 90/2012 Coll., on Commercial Companies and Cooperatives (Commercial Corporations Act), as amended.

"Czech Public Auctions Act" means the Czech Act No. 26/2000 Coll., on Public Auctions, as amended.

"Czech Public Registers Act" means the Czech Act No. 304/2013 Coll., on Public Registers of Legal Entities and Individuals, as amended.

"Czech Specific Court Proceedings Act" means the Czech Act No. 292/2013 Coll., on Specific Court Proceedings, as amended.

"Debtor" has the meaning given to it in the Intercreditor Agreement.

"Default" means the event which occurs when any Acceleration Event occurs and, at the same time, the Company fails to pay sums of the then due Secured Obligations in full and on time.

"Direct Sale" means the sale of the Ownership Interest in an open auction, open public tender or another open competitive bidding process managed and organised by the Financial Advisor pursuant to, and as further specified in, Clause 7.2 of this Agreement below.

"Excluded Swap Obligations" has the meaning given to it in the Intercreditor Agreement.

"Financial Advisor" means:

- (i) any of the following companies: PricewaterhouseCoopers, Ernst & Young, KPMG or Deloitte; or
- (ii) an independent reputable company regularly providing professional services in the field of expert appraisal of ownership interests as well as advisory services in respect of the competitive bidding processes, as chosen by the Pledgee (who shall act reasonably when making the choice) following the consultation with the Pledgor, provided, however, that each of the companies set forth in (i) of this definition above refuses to act as the Financial Advisor, will not be providing

its services at the relevant time or will be prohibited from acting as Financial Advisor by virtue of the Pledgee's internal regulations or otherwise.

"Guarantor" has the meaning given to it in the Second Lien Facility Agreement.

"Intercreditor Agreement" means the English law governed intercreditor agreement dated 2 July 2018 between, amongst others, AI Ladder Limited and AI Ladder (Luxembourg) Subco S.à r.l. as Original Debtors and Original Intra-Group Lenders, AI Ladder (Luxembourg) Midco S.à r.l. as Original Subordinated Creditor and Holdco, the Senior Lenders and the Second Lien Lender listed therein, the Pledgor as Senior Agent, Senior Security Agent, Second Lien Security Agent and Common Security Agent, and Elavon Financial Services, DAC, UK Branch as Second Lien Agent (each such term as defined therein).

"Negative Pledge" means the negative pledge (in Czech: *zákaz zřízení zástavního práva*) within the meaning of Section 1309 (2) of the Czech Civil Code created under this Agreement and further specified in Clause 3(b) of this Agreement below, provided, however, that it shall not extend to any pledge created by virtue of:

- (i) law;
- (ii) a decision of court or public authority except for such decisions of court or public authorities which were rendered as a consequence of a breach of the respective duties or obligations of the Pledgor and/or the Company; and
- (iii) a combination of reasons set forth in (i) and (ii) above.

"New Security Agent" means a person appointed as the Second Lien Security Agent under the Intercreditor Agreement following the resignation of the Pledgee from its position of the Second Lien Security Agent under, and in accordance with, the Intercreditor Agreement.

"Ownership Interest" means the 100% ownership interest (in Czech *obchodní podíl*) in the Company held by the Pledgor, comprising all rights and obligations of the Pledgor as the sole shareholder in the Company, corresponding to the Pledgor's total capital contribution of CZK 145,000,000.00 and representing 100% of the registered capital of, and 100% of the voting rights in, the Company.

"Parallel Debt Provision" means Clause 18.3 (a) of the Intercreditor Agreement pursuant to which, and subject to further terms and conditions of the Intercreditor Agreement, the several, separate and independent obligations of the Company arise to pay to the Pledgee (in its capacity as a several, separate and independent creditor in its own right) the amounts equal to, and in the currency of, any amounts owing from time to time by the Company to any Secured Party (as this term is defined in this Agreement above) under any Secured Debt Document (as this term is defined in this Agreement below), other than Excluded Swap Obligations (as this term is defined in this Agreement below), as and when those amounts are due.

"Pledge" means the pledge created and formed under this Agreement and further specified in Clause 2.1 of this Agreement below.

"Second Lien Facility Agreement" means the English law governed second lien facility agreement concluded on 2 July 2018 between, amongst others, AI Ladder (Luxembourg) Subco S.à r.l. as Borrower, AI Ladder Limited as Bidco, and Goldman Sachs Bank USA, Citigroup Global Markets Limited, Bank of America Merrill Lynch International Limited, HSBC Bank Plc, Lloyds Securities Inc. and National Westminster Bank Plc as Mandated Lead Arrangers, the Original Lender listed therein, Elavon Financial Services, DAC, UK Branch as Agent and the Pledgee as Security Agent (each such term as defined therein).

"Secured Debt Documents" has the meaning given to the term *"Second Lien Finance Documents"* in the Intercreditor Agreement.

"Secured Obligations" means any and all, unconditional and/or contingent, obligations of the Company that exist on the basis of the Parallel Debt Provision as at the date of this Agreement and/or that may come into existence on the basis of the Parallel Debt Provision any time within the time period commencing on the date of this Agreement and ending on 9 July 2031, including any appurtenances, provided that the maximum aggregate principal amount of the Secured Obligations shall not exceed USD 286,000,000.00 or its equivalent in any currency.

"Secured Parties" has the meaning given to it in the Intercreditor Agreement save that for the purposes of this definition of the Secured Parties:

- (i) any references in the Intercreditor Agreement to the *"Agents"*, *"Arrangers"* or the *"Secured Creditors"* shall be read as references to the Second Lien Agents, Second Lien Arrangers or the Second Lien Secured Creditors, respectively, with each such term having the meaning given to it in the Intercreditor Agreement; and
- (ii) the term *"Security Agent"* shall mean the Pledgee as defined in this Agreement.

"Security Period" means the period commencing on the date of this Agreement and ending on the earlier of:

- (i) the date on which all the Secured Obligations have been unconditionally and irrevocably paid, settled or otherwise discharged in full, notwithstanding any intermediate payment, settlement or discharge of all or any part of the Secured Obligations or any other act, matter or thing; or
- (ii) the date on which the Pledge has ceased to exist pursuant to Section 1377 of the Czech Civil Code or otherwise.

"Senior Pledge" shall mean the pledge over the Ownership Interest created and to be formed by its registration in the Commercial Register on the basis of the Agreement on Pledge of Ownership Interest.

"Third Person Property Right" means any transfer of title for security purposes (in Czech: *zajišťovací převod práva*), lien (in Czech: *zadržovací právo*), pre-emptive right (*předkupní právo*), easement (in Czech: *věcné břemeno*) or any other property right (in Czech: *věcné právo*) which has the effect of the encumbrance (in Czech: *zatížení*) or similar, provided, however, that it shall not extend to any rights created by virtue of:

- (i) law;
- (ii) a decision of court or public authority except for such decisions of court or public authorities which were rendered as a consequence of a breach of the respective duties or obligations of the Pledgor and/or the Company; and
- (iii) a combination of reasons set forth in (i) and (ii) above.

1.2 Construction

- (a) In this Agreement, unless a contrary intention appears, a reference to:
 - (i) an **"amendment"** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **"amend"**, **"amending"** and **"amended"** shall be construed accordingly;
 - (ii) **"including"** means including without limitation and **"includes"** and **"included"** shall be construed accordingly; and
 - (iii) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing.
- (b) In this Agreement, unless a contrary intention appears, a reference to:
 - (i) the Pledgor, the Pledgee, the Company, any Secured Party, or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees;
 - (ii) any Secured Debt Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended or novated, including by way of increase of the facilities or other obligations or addition of new facilities or other obligations made available under them or accession or retirement of the parties to these agreements but excluding any amendment or novation made contrary to any provision of any Secured Debt Document;
 - (iii) any Clause is a reference to a clause of this Agreement; and
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.
- (c) The index to and the headings in this Agreement are inserted for convenience only and shall not affect its interpretation.
- (d) Words importing the plural shall include the singular and vice versa.
- (e) Unless the context otherwise requires or unless otherwise defined in this Agreement, words and expressions defined in the Intercreditor Agreement shall have the same meanings when used in this Agreement and capitalised terms used but not defined in this Agreement shall have the same meaning as in the Intercreditor Agreement.
- (f) Subject to Clause 1.2 (e) of this Agreement above, in the event of any inconsistency or conflict between the terms of this Agreement, on one part, and the Second Lien Facilities Agreement or the Intercreditor Agreement, on the other part, the Second Lien Facilities Agreement and the Intercreditor Agreement, as applicable, shall prevail, to the extent permitted under the laws of the Czech Republic without prejudice to giving the full effect to the Pledge under the laws of the Czech Republic.

2. PLEDGE OF OWNERSHIP INTEREST

2.1 Pledge

Pursuant to Section 1309 *et seq.* of the Czech Civil Code, the Pledgor hereby unconditionally and irrevocably creates in favour of the Pledgee a pledge (in Czech: *zástavní právo*) over the Ownership Interest, including all its components and accessories, as a collateral securing all the Secured Obligations (the "Pledge") and the Pledgee hereby accepts the Pledge.

2.2 Perfection

- (a) The Pledge shall be formed upon and by virtue of its registration in the Commercial Register.
- (b) The Pledgor shall ensure that the application for the registration of the Pledge in the Commercial Register is, along with all necessary documents, prepared, executed, and submitted by the Pledgor or the Company to the competent court or another authority within three (3) Business Days from the date of the execution of this Agreement. The Pledgor shall ensure that the Pledge and Negative Pledge is registered in the Commercial Register within one (1) month from the date of the execution of this Agreement or, in case that the situation anticipated by Clause 2.2 (f) of this Agreement below occurs, within one (1) month from the date of the execution of a new agreement on pledge of the Ownership Interest.
- (c) The Pledgee hereby grants its consent within the meaning of Section 12 of the Czech Public Registers Act to its registration as the pledgee in respect of the Pledge in the Commercial Register.
- (d) The Pledgee hereby undertakes to provide the Pledgor with any and all the assistance which may be from time to time necessary or appropriate from the Pledgee in order to ensure that the registration of the Pledge in the Commercial Register is carried out and completed.
- (e) Within three (3) Business Days following the date on which the Pledgor is informed about the registration of the Pledge in the Commercial Register, the Pledgor shall notify in writing both the Pledgee and the Company of the formation of the Pledge.
- (f) If the application for the registration of the Pledge in the Commercial Register is entirely or partly dismissed by the competent court or another authority, the Pledgee shall within fifteen (15) Business Days following the receipt of the Pledgor's written request enter into a new agreement on pledge of the Ownership Interest which shall be in all material aspects same as this Agreement, provided, however, that such new agreement shall reflect all the objections of the competent court or another authority so that the pledge of the Ownership Interest could be successfully registered in the Commercial Register.

2.3 General

- (a) The Pledge shall be created and formed:
 - (i) in favour of the Pledgee in its capacity as a several, separate and independent creditor in respect of the Secured Obligations in its own right and not in its capacity as agent, trustee or representative of the other Secured Parties;
 - (ii) for the purpose of securing all the Secured Obligations;
 - (iii) as the second-ranking pledge;

- (iv) for as long as any of the Secured Obligations remains outstanding, notwithstanding any intermediate payment, settlement or discharge of all or any part of the Secured Obligations or any other act, matter or thing;
- (v) as a continuing security for the payment, discharge and performance of the Secured Obligations such that the Pledge shall extend to the ultimate balance of all sums due and outstanding, notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other act, matter or thing; and
- (vi) in addition to, and in no way being prejudiced or otherwise affected by, any other security at the date of this Agreement or subsequently held by the Pledgee or any other Secured Party.

3. NEGATIVE PLEDGE

- (a) Unless the Pledgor has received a prior written consent of the Pledgee or unless permitted or required to do so under the Secured Debt Documents, the Pledgor hereby undertakes that, for the duration of the whole Security Period, it shall not:
 - (i) create or permit to subsist in favour of any third person any pledge over the Ownership Interest or its part;
 - (ii) create or permit to subsist in favour of any third person any Third Person Property Right over the Ownership Interest or its part; and
 - (iii) sell, transfer or otherwise dispose of the Ownership Interests or its part;
 - (iv) lend, lease or rent out (in Czech: *pronajmout či propachtovat*) the Ownership Interest or its part to any third person; and
 - (v) enter into any agreement or arrangement, irrespective of whether governed by the laws of the Czech Republic or another jurisdiction, which would have an effect similar to that of items set out in Clause 3(a)(i) through (iv) of this Agreement above.
- (b) The prohibition under Clause 3 (a)(i) of this Agreement above shall, to the maximum extent permitted under the laws of the Czech Republic, be created as a property right (in Czech: *věcné právo*) in favour of the Pledgee within the meaning of 1309 (2) of the Czech Civil Code (the "Negative Pledge").
- (c) The Pledgor shall ensure that the application for the registration of the Negative Pledge in the Commercial Register is, along with all necessary documents, prepared, executed, and submitted by the Pledgor or the Company to the competent court or another authority within three (3) Business Days from the date of the execution of this Agreement.
- (d) The Pledgee hereby grants its consent within the meaning of Section 12 of the Czech Public Registers Act to its registration as the beneficiary in respect of the Negative Pledge in the Commercial Register.
- (e) Clause 2.2(d) through 2.2(f) of this Agreement above shall apply *mutatis mutandis* also in respect of the Negative Pledge.

4. PROTECTION OF PLEDGE

- (a) The Pledgor hereby undertakes that it shall in accordance with Section 1353 of the Czech Civil Code refrain from any legal and other acts which would deteriorate or otherwise undermine the value of the Pledge as a collateral to the detriment of the Pledgee.
- (b) The Pledgor hereby undertakes that it shall replenish the Pledge as appropriate if required to do so under Section 1353 of the Czech Civil Code and/or any other applicable law.

5. DISTRIBUTION RIGHTS

- (a) Until there is the Default, the Pledgor shall remain entitled to any and all dividends, other payments and benefits of a material nature (in Czech: *věcná plnění*) arising in connection with the Ownership Interest.
- (b) If there is the Default, the Pledgee is pursuant to Section 1324 of the Czech Civil Code entitled to receive, and the Company is obliged to direct to the Pledgee, any and all dividends, other payments and benefits of a material nature arising in connection with the Ownership Interest up to the amount of the Secured Obligations outstanding after the Default, unless the existence or amount of the respective Secured Obligation is disputed by the Company and/or the Pledgor in court.
- (c) Any dividend, another payment or benefit of a material nature received by the Pledgee pursuant to Clause 5 (b)(a) of this Agreement above shall automatically be set off against the respective Secured Obligation.

6. VOTING RIGHTS

- (a) Until there is the Default, the Pledgor shall remain entitled to exercise any and all the voting rights in the Company attached to the Ownership Interest, provided, however, that such rights are exercised by the Pledgor in a manner which shall not materially adversely affect the creation, validity and enforceability of the Pledge and/or the Negative Pledge, cause the Default to occur, or otherwise prejudice the interests of the Pledgee.
- (b) If there is the Default, the Pledgee shall, for the duration of the Default, be entitled to exercise any and all the voting right in the Company attached to the Ownership Interest, unless the Pledgee has notified the Pledgor in writing of its wish to waive this right.

7. ENFORCEMENT OF PLEDGE

7.1 Enforcement

- (a) When enforcing the Pledge, the Pledgee may, in its own discretion, elect any of the methods of enforcement permitted by law or the method of enforcement set forth in Clause 7.1 (d) of this Agreement below.
- (b) If the Secured Debt Documents requires that any act be made by the Pledgee, any other Secured Party or any other person in order for the Secured Obligations to become due and payable, all such acts shall be made both towards the Company and the Pledgor.
- (c) If and once the Default occurs and is continuing, the Pledgee shall, prior to the enforcement of the Pledge, deliver to the Pledgor and the Company, respectively, a written notification of the commencement of the enforcement of the Pledge by the Pledgee, including the information

on the amount of the Secured Obligations due and the manner in which the Pledge will be enforced in accordance with this Agreement.

- (d) After the lapse of thirty (30) calendar days from the date on which the Pledgee fulfils its obligation under Clause 7.1 (c) of this Agreement above, and provided that the Default remains continuing, the Pledgee may enforce the Pledge by selling the Ownership Interest or its part either in:
- (i) the public auction pursuant to the Czech Public Auctions Act;
 - (ii) the court proceeding pursuant to Section 353a *et seq.* of the Czech Specific Court Proceedings Act; or
 - (iii) the Direct Sale pursuant to Clause 7.2 of this Agreement below.

7.2 Direct Sale

- (a) Without a prejudice to Clause 7.1 of this Agreement above, the Pledgor and the Pledgee have agreed that the Pledgor may enforce the Pledge via a direct sale of the Ownership Interest to a third person in an open auction, open public tender or another open competitive bidding process managed and organised by a Financial Advisor, subject to the rules of this Clause 7.2 of this Agreement (the "**Direct Sale**").
- (b) When enforcing the Pledge via the Direct Sale, the Pledgee shall act with professional care within the meaning of Section 1365 of the Civil Code in the interests of both the Pledgee and the Pledgor so that the Ownership Interest is sold for a price for which assets comparable to the Ownership Interest could be sold under comparable circumstances in the place and time given.
- (c) The fulfilment of the following conditions by the Pledgee shall be considered as *prima facie* fulfilment of the duty of the Pledgee to act with the professional care specified in Clause 7.2 (b) of this Agreement above:
- (i) The Pledgee is obliged to notify the Pledgor in writing of his intention to perform the Direct Sale. Such notification shall include information about the planned process of the Direct Sale, including the method of its publication, identity of the Financial Advisor and possible use of services of other third persons.
 - (ii) The Pledgee is obliged to advertise an offer for the Direct Sale in an appropriate manner depending on the character of the Ownership Interest and probable purchasers; however, the offer shall be published in at least one advertisement in "*Hospodářské noviny*" and, if "*Hospodářské noviny*" will not be published at that time, another appropriate Czech daily or weekly newspaper.
 - (iii) The Pledgor agrees that upon a request of the Pledgee, the Pledgor shall immediately provide the Pledgee with all documents and information relating to the Ownership Interest, which the Pledgee may request for the purpose of a provision of such documents to any third party which is interested in the Ownership Interest in order to maximize the offer price; nevertheless, if the Pledgor fails to provide the relevant documents and information within a reasonable period of time (the relevance of provided documents and information and timeliness of its provision to be determined upon the sole discretion of the Pledgee), the Pledgee shall be entitled to perform the

Direct Sale exclusively on the basis of the documents and information that are available at that moment.

- (iv) The Direct Sale shall be open to all interested bidders in accordance with terms and conditions of the Direct Sale who shall have, following the publication of the offer for the Direct Sale, at least thirty (30) days for submitting their binding bids for the Ownership Interest. This period includes the time for studying the information and documents relating to the Ownership Interest.
- (v) The Pledgee is entitled to sell the Ownership Interest without any warranties and declarations regarding the Ownership Interest, so that the purchasers of the Ownership Interest shall have minimum claims against the Pledgee in relation to the Direct Sale.
- (vi) The Pledgee may refuse any bids which could expose the Pledgee to credit risk, risk threatening the perfection of a transaction or legal, tax, business or other risks. In particular, but not exclusively, the Pledgee shall be entitled to set the terms of the Direct Sale to be advantageous and shall be entitled to favour (in the scope of reasonable business consideration):
 - (A) bids containing immediate payment against subsequent payments;
 - (B) bids structured to minimize the tax burden of the Pledgee against bids exposing the Pledgee to tax costs or the risk of such costs; and
 - (C) unconditional bids against bids which are subject to legal, administrative, business or other conditions.
- (vii) The Pledgee shall be entitled to take into account the offer price as the sole criterion when evaluating the bids received.
- (viii) Under the above mentioned conditions, the Pledgee is obliged to accept only the bid with the highest offer price. The Pledgee is entitled to accept the bid with lower offer price only if such bid will be, according to reasonable business consideration of the Pledgee acting with professional care and having the special regard to the offer price, evaluated as being overall more economically favourable in respect of the realisation of the Direct Sale than the bid with the highest offer price.
- (ix) The Pledgee shall be entitled to refuse any and all bids received (including, without limitation, when none of the bids submitted will be sufficiently economically

favourable) or to cancel, at any time, the ongoing Direct Sale, with or without commencing a new Direct Sale thereafter.

- (x) The Pledgee shall submit an application for the registration of the beginning of enforcement into the Commercial Register.
- (xi) The Pledgee shall notify the beginning of enforcement of the Pledge to all shareholders of the Company entered into the Commercial Register as of the day of the beginning of enforcement in writing.
- (xii) The Pledgee is obliged to hand over the bids evaluation report to the Pledgor without undue delay following the conclusion of the evaluation of the bids received.

7.3 Enactment of New Method of Enforcement of Pledge

- (a) If a new method of enforcement of the Pledge (including such method that may be agreed between the Pledgor and the Pledgee) is allowed by an enactment of a new law in the Czech Republic after the date of this Agreement, then the Pledgor and the Company agree to amend this Agreement in order to implement this new method of enforcement of the Pledge within ten (10) Business Days after receiving a draft of such amendment from the Pledgee.
- (b) The Pledgor and the Company further agree to take any other actions and to enter into any other provisions with the Pledgee (in a form and content acceptable to the Pledgee) which the Pledgee (acting reasonably) requires in order to implement a new method of enforcement of the Pledge pursuant to Clause 7.3 (a) of this Agreement above.

7.4 Application of Proceeds

- (a) To the extent permitted under the laws of the Czech Republic, the proceeds of the enforcement of the Pledge under Clause 7.1(d) of this Agreement above shall be applied by the Pledgee to discharge the Secured Obligations in the order and manner specified by Clause 15 (*Application of Proceeds*) of the Intercreditor Agreement.
- (b) Subject to Clause 7.4 (a) of this Agreement above, the Pledgee may apply the proceeds of the enforcement of the Pledge under Clause 7.1(d) of this Agreement above towards the payment of any and all of the Secured Obligations in any order and manner which the Pledgee may determine.
- (c) Subject to Clause 7.4 (a) of this Agreement above, any surplus from the enforcement of the Pledge received by the Pledgee shall be paid to a bank account notified thereto by the Pledgor in writing.
- (d) The Pledgee shall, without undue delay following the enforcement of the Pledge, submit to the Pledgor a written report containing, among other things, the information on the sale of the Ownership Interest, proceeds of such sale, application of such proceeds and on any costs incurred in connection with the sale process or other costs for which the Pledgor may be reimbursed under the laws of the Czech Republic.

8. CHANGES TO PARTIES

8.1 Pledgor

The Pledgor may assign or transfer any of its rights or obligations under this Agreement only if permitted or required to do so by, and accordance with, the Secured Debt Documents.

8.2 Pledgee

- (a) Pursuant to Clause 19.1 (*Resignation of the Security Agent*) of the Intercreditor Agreement, the Pledgee may resign, or be required to resign, from its position as the Second Lien Security Agent under the Intercreditor Agreement, provided that the New Security Agent is appointed as the Pledgee's successor in accordance with the Intercreditor Agreement.
- (b) The Pledge, including all rights and obligations of the Pledgee under this Agreement, shall pursuant to Section 1880 (1) of the Czech Civil Code automatically transfer to the person appointed as the New Security Agent in accordance with the Intercreditor Agreement upon the assignment or other transfer of the receivables of the Pledgor corresponding to the Secured Obligations to the New Security Agent.
- (c) In order to give full effect to Clause 8.2 (b) of this Agreement above, the Pledgee and the New Security Agent shall, without undue delay following the appointment of the New Security Agent, execute the Assignment Certificate and, within fifteen (15) Business Days following the execution of the Assignment Certificate, shall provide the Pledgor with one counterpart of the executed Assignment Certificate.
- (d) Upon the transfer of the Pledge from the Pledgee to the New Security Agent, the New Security Agent shall become the Pledgee party to this Agreement, and the Pledgee and the New Security Agent shall, without undue delay, ensure that the New Security Agent is registered in the Commercial Register as the Pledgee.
- (e) The Pledgor and the Company hereby:
 - (i) consent to any and all transfers of any and all rights and obligations of the Pledgee relating to the Secured Obligations and the Pledge in accordance with this Agreement to any and all persons which will be appointed, from time to time, as the New Security Agent in accordance with the Intercreditor Agreement; and
 - (ii) undertake that they shall provide any New Security Agent with a new separate written consent within the meaning of 8.2 (i) of this Agreement above if requested to do so by the New Security Agent.

9. VALIDITY AND EFFECTIVITY

This Agreement shall become valid and effective upon its signature by both the Parties and shall remain valid and in full force and effect for the whole Security Period.

10. RELEASE

- (a) The Pledge and the Negative Pledge shall cease to exist upon the lapse of the Security Period.
- (b) After the lapse of the Security Period, the Pledgee shall, upon the request of the Pledgor and/or the Company, take any and all actions, and execute any and all documents (in the form and of the content) necessary under the laws of the Czech Republic (and in the time limits prescribed thereunder) to effect the full release of the Pledge and the Negative Pledge.
- (c) Without prejudice to the generality of Clause 10 (b) of this Agreement above, the Pledgee shall, within fifteen (15) Business Days following the receipt of the Pledgor's request, execute and provide the Pledgor and the Company with a written confirmation (in the form and of the content necessary under the laws of the Czech Republic to effect the full release the Pledge and the Negative Pledge) to the Pledgor that:

- (i) the Pledge and the Negative Pledge have ceased to exist; and
- (ii) the Pledgee consents to deregistration of the Pledge and the Negative Pledge from the Commercial Register.

11. NOTICES

- (a) All notices or other communications under or in connection with this Agreement shall be made in writing and, unless agreed otherwise, shall be made by a registered mail with confirmation of the receipt. Any such notice will be deemed to be given as follows:
 - (i) if by a letter, when delivered personally or upon the actual receipt; and
 - (ii) if by an electronic mail, when received in a legible form.
- (b) A notice given or other communication made in accordance with the above but received on a non-Business Day or after business hours (i.e. 5.00 p.m.) will be deemed to have been given on the next Business Day.
- (c) The addresses and electronic mail addresses of the parties for the purposes of Clause 11 (a) of this Agreement above are:

Pledgee:	Wilmington Trust (London) Limited
Address:	Third Floor, 1 King's Arms Yard, London, EC2R 7AF
Attention:	Sajada Afzal
Telephone:	+ 44 (0) 20 7397 3602
Electronic mail:	safzal@wilmingtontrust.com

Pledgor:	Laird Limited
Address:	100 Pall Mall, SW1Y5NQ London, United Kingdom
Attention:	Julia Riggs/Kathryn Ferguson
Telephone:	+44 0207 468 4040
Electronic mail:	Julia.Riggs@lairdtech.com / Kathryn.Ferguson@lairdtech.com

Company:	Laird s.r.o.
Address:	Průmyslová 497, Liberec XXIII-Doubí, 463 12 Liberec, Czech Republic
Attention:	Vladimíra Štaflová
Telephone:	+420 488 575 111
Electronic mail:	Vladimira.Staflova@lairdtech.com

or such other address and electronic mail address as the parties may notify to each other by not less than five (5) Business Days notice.

12. MISCELLANEOUS

12.1 Schedule

The Schedule hereto forms an integral part hereof.

12.2 Amendments

- (a) Any term of this Agreement, including this Clause 12.2 (*Amendments*), may be amended only by an agreement in writing between the Pledgor, the Pledgee and the Company, each of them attaching to such written agreement a certified (and, if the certified outside, the Czech Republic, also the apostilled) signature of their authorised representative(s).
- (b) The Parties hereby expressly confirm and agree that, pursuant to Section 564 and 1758 of the Civil Code, they do not intend to, and shall not, be bound by any amendment to any term of this Agreement, including this Clause 12 (*Amendments*) concluded in any form other than the form set forth in Clause 12.2 (a) of this Agreement above.

12.3 Severability

Should any provision of this Agreement be or become null, invalid, unenforceable or otherwise impracticable, this shall not affect the existence, validity and enforceability of the remaining provisions of this Agreement. The Pledgor, the Pledgee and the Company hereby undertake to enter into an amendment to this Agreement so that a new provision is inserted herein in lieu of the null, invalid, unenforceable or otherwise impracticable provision.

12.4 Excluded provisions of Civil Code

- (a) The Parties hereby agree that, to the maximum extent permitted under the laws of the Czech Republic, the following provisions of the Czech Civil Code shall be entirely disregarded and shall not apply in respect of this Agreement: Section 557, Section 1336 (1), Section 1400 through 1447, Section 1740 (3), Section 1799 and 1800, Section 1888 (2), Section 1980.
- (b) The Parties hereby undertake that they shall assume and bear the risk of change of circumstances within the meaning of Section 1765 (2) of the Civil Code.
- (c) The Parties hereby agree within the meaning of Section 558 (2) of the Civil Code that any and all common business customs and business customs of the relevant industry (in Czech: *obchodní zvyklosti zachovávané obecně anebo v daném odvětví*) shall be entirely disregarded and shall not apply in respect of this Agreement.
- (d) The Parties hereby agree that there is no established practice between them within the meaning of Section 556 (2) of the Civil Code and any such practice shall be entirely disregarded and shall not apply in respect of this Agreement.
- (e) Neither Party is entitled to terminate this Agreement pursuant to Section 2000 (1) of the Civil Code.

12.5 Counterparts

This Agreement has been executed in four counterparts in Czech language and in three counterparts in English language pursuant to Clause 13 of this Agreement below. Each Party shall receive one counterpart of both language versions, one counterpart in Czech version shall be used for the registration purposes at the Commercial Register.

13. LANGUAGE

- (a) This Agreement has been executed in the Czech and English language versions.

(b) In case of any discrepancy between the Czech and English version of this Agreement, the Czech version shall prevail.

(c) Any notice given under or in connection with this Agreement shall be given in Czech or English language so that it is understandable to the person to whom the notice is given and, if a copy of such notice is required to be delivered to the Pledgee and the notice is not in the English language, the Pledgor shall deliver an English translation of such notice to the Pledgee.

14. GOVERNING LAW

This Agreement, including any contractual or non-contractual obligations arising out of or in connection therewith, shall be governed by the laws of the Czech Republic.

15. JURISDICTION

The courts of the Czech Republic shall have the exclusive jurisdiction to adjudicate upon any dispute in connection with this Agreement, including any dispute in connection with any contractual and/or non-contractual obligations arising in connection with this Agreement.

[The remainder of the page left intentionally blank. / The signature page to follow.]

SIGNATORIES

This Agreement has been entered into and become effective on the date stated at the beginning of this Agreement.

PLEDGEE

Wilmington Trust (London) Limited

By 

(certified signature)

Name: *PAVLA KRŠKOVÁ*

Position: Attorney, on the basis of the power of attorney dated 21 August 2018

PLEDGOR

Laird Limited

By 


(certified signature)

Name: Veronika Ordnungová, attorney-at-law

Position: Attorney, on the basis of the power of attorney dated 20 November 2018

COMPANY

Laird s.r.o.

By 

(certified signature)

Name: *VLADIMÍRA ŠTAFLOVÁ*

Position: Director

Schedule 1

Assignment Certificate Form

To: [THE PLEDGOR]

From: [THE PLEDGEE] and [THE NEW A SECURITY AGENT]

Date: [●]

Agreement on Junior Pledge of Ownership Interest entered into between the Pledgee and the Pledgor (as both these terms are defined below) on [●] (the "Pledge Agreement")

We refer to Clause 8.2(c) of the Pledge Agreement.

1. Capitalised terms defined in the Pledge Agreement have, unless expressly defined in this Assignment Certificate, the same meaning in this Assignment Certificate.
2. We, [name] (the "**Pledgee**") and [name] (the "**New Security Agent**"), have hereby agreed that (i) all the Pledgee's receivables against the company [Laird Limited (formerly Laird plc), a company incorporated and organised under the laws of England and Wales with company no. 00055513 and registered office at 100 Pall Mall, SW1Y5NQ London, United Kingdom] (the "**Pledgor**") corresponding to the Secured Obligations and (ii) all the Pledgee's rights and obligations under the Pledge Agreement, including the Pledge (the "**Transferred Rights and Obligations**"), shall, as of the date hereof, be assigned and transferred to the New Security Agent.
3. The New Agent hereby accepts the Transferred Rights and Obligations and agrees to become, as of the date hereof, the Pledgee party to the Pledge Agreement.
4. The identification details in respect of the New Security Agent as the new Pledgee under the Pledge Agreement are as follows:

Corporate name: [name]

Incorporated and organised under the laws of: [country]

Company No.: [number]

Registered Office: [address]

1. This Assignment Certificate is governed by Czech law.

[The remainder of the page left intentionally blank. / The signature page to follow.]

PLEDGEE

[●]

By _____

Name: [●]

Position: [●]

NEW SECURITY AGENT

[●]

By _____

Name: [●]

Position: [●]

PLEDGOR

Laird Limited

By _____

Name: [●]

Position: [●]

COMPANY

Laird s.r.o.

By _____

Name: [●]

Position: [●]