



Registration of a Charge

Company name: **C. & J. CLARK (HOLDINGS) LIMITED**

Company number: **00079142**



X9Z4TF82

Received for Electronic Filing: **26/02/2021**

Details of Charge

Date of creation: **19/02/2021**

Charge code: **0007 9142 0002**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)**

Brief description:

Contains fixed charge(s).

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: **LINKLATERS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 79142

Charge code: 0007 9142 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th February 2021 and created by C. & J. CLARK (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th February 2021 .

Given at Companies House, Cardiff on 1st March 2021

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**, dated as of February 19, 2021 (this “**Agreement**”), is entered into by C. & J. Clark (Holdings) Limited, a private limited company incorporated in England with company number 00079142 (the “**Pledgor**” and together with each Person that executes a Joinder Agreement and becomes a pledgor hereunder, the “**Pledgors**”), and Lucid Trustee Services Limited as security agent for the Secured Parties (as defined in the Intercreditor Agreement referred to below) (in such capacity, the “**Security Agent**”).

RECITALS

- (1) The Pledgors and the Security Agent, and certain other parties, are party to an intercreditor agreement originally dated February 27, 2017 as amended and restated as of the date hereof (the “**Intercreditor Agreement**”).
- (2) Pursuant to the terms of the Intercreditor Agreement, each Pledgor is required to execute and deliver this Agreement.

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

SECTION 1 DEFINITIONS; RULES OF INTERPRETATION

Section 1.1 Definition of Terms Used Herein

Unless the context otherwise requires, all capitalized terms used but not defined herein have the meanings set forth in the Intercreditor Agreement.

Section 1.2 UCC

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

Certificated Security	Instrument	Security
General Intangible	Proceeds	
Investment Property	Record	

Section 1.3 General Definitions

In this Agreement:

“**Additional Pledgor**” has the meaning assigned to such term in Section 5.2.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Agreement**” has the meaning assigned to that term in the Preamble.

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

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

"Cash Dividends" means all Dividends paid or payable in Cash.

"Collateral" has the meaning assigned to such term in Section 2.1.

"Control" means "control" as defined in § 8-106 and § 9-106 of the UCC, as applicable.

"Dividends" means all present and future: (a) dividends and distributions of any kind, together with principal, interest and any other sum, in each case received or receivable in respect of the Pledged Equity, (b) rights, Equity Interests, Instruments, Cash or other assets accruing or offered by way of redemption, substitution, exchange, bonus, option, preference or otherwise in respect of the Pledged Equity, (c) warrants, allotments, offers and rights accruing or offered in respect of the Pledged Equity and (d) other Proceeds, rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, the Pledged Equity.

"Domestic Subsidiary" means any Subsidiary of the Pledgor that is organized within the United States.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"Equity Interests" means shares of capital stock (whether denominated as common stock or preferred stock), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or non-voting.

"Equity Rights" means all rights in respect of the Pledged Equity under any shareholders' agreement, operating agreement, partnership agreement or analogous agreement in respect thereof.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Filing" means, to the extent the same is still in effect, (a) any UCC financing statement (including continuation statements and amendment statements, as applicable) or (b) any

analogous filing, registration or Record under applicable law, in each case covering any Collateral that is filed, registered or recorded with any governmental, municipal or other office.

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

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

"Lien" has the meaning assigned to the term "Security" in the Intercreditor Agreement.

"LLC" means any limited liability company in which any Pledgor has an interest, including those set forth on Schedule 3.5.

"LLC Agreement" means the limited liability company agreement of any LLC (or any analogous agreement governing the operation of such LLC).

"Location" means, with respect to any Person, its "location" within the meaning of § 9-307 of the UCC.

"Partnership" means any partnership in which any Grantor has an interest, including those set forth on Schedule 3.5.

Partnership Agreement means the partnership agreement of any Partnership (or any analogous agreement governing the operation such any Partnership).

"Permitted Liens" means Liens expressly permitted under all of the Debt Documents.

"Pledged Collateral" means, collectively the Pledged Equity, the Equity Rights, all certificates or other Instruments representing any of the foregoing, and all Dividends from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing. Pledged Collateral may be General Intangibles, Investment Property, or any other category of Collateral.

Pledged Equity means the Equity Interests listed on Schedule 3.5, together with any additional, replacement or new Equity Interests owned by a Pledgor in connection therewith (including upon conversion thereof) or pursuant to any rights granted to any Pledgor pursuant to its ownership thereof, howsoever issued or acquired.

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

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

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

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

"Security Supplement" means any supplement to this Agreement in substantially the form of Exhibit A to this Agreement, executed by an authorized officer of the applicable Pledgor.

"UCC" means the Uniform Commercial Code enacted in the State of New York, as in effect from time to time; **provided that** if by reason of mandatory provisions of law, the attachment, perfection, the effect of perfection or non-perfection, priority of a security interest or remedy is

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

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unasserted Obligations" means, at any time, New Secured Obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities (except for the principal of and interest on, and fees relating to, any indebtedness) in respect of which no claim or demand for payment has been made (or, in the case of New Secured Obligations for indemnification, no notice for indemnification has been issued by the Indemnatee) at such time.

"US Bankruptcy Law" means the United States Bankruptcy Code of 1978 or any other United States federal or state bankruptcy, insolvency or similar law.

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

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution 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.

Section 1.4 Rules of Interpretation; Rules of Construction

- (a) The rules of construction set forth in Clause 1.2 of the Intercreditor Agreement apply equally to this Agreement, *mutatis mutandis*.
- (b) This Agreement is subject to, and has the benefit of, the Intercreditor Agreement. If any conflict or inconsistency exists between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall govern. If any conflict or inconsistency exists between this Agreement and the Credit Facility Documents or the Senior Secured Note Documents (each as defined in the Intercreditor Agreement), the Credit Facility Documents or the Senior Secured Note Documents shall govern, except in relation to

any requirements set out in this Agreement in relation to the perfection of the security interests created by, and deliverables set out in, this Agreement.

- (c) Whenever the context may require, any pronoun will include the corresponding masculine, feminine and neuter forms. The word "will" will be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (i) any reference herein to any Person will be construed to include such Person's successors and permitted assigns, (ii) the words "herein," "hereof" and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iii) all references herein to Sections, Exhibits and Schedules will be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement, (iv) any reference to any law or regulation herein will, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, (v) all obligations of any Pledgor hereunder will be satisfied by the Pledgors at their sole cost and expense, and (vi) the words "asset" and "property" will be construed to have the same meaning and effect. The definitions of terms herein apply equally to the singular and plural forms of the terms defined. The words "include," and "includes" will be deemed to be followed by the phrase "without limitation."

SECTION 2

GRANT OF SECURITY

Section 2.1 Grant of Security

As security for the prompt and complete payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all New Secured Obligations, each Pledgor hereby pledges, assigns, transfers and grants to the Security Agent, for the benefit of the Secured Parties, a continuing security interest in and Lien on all of its right, title and interest in, to and under the following property, in each case whether now owned or hereafter acquired or existing and wherever located (collectively, the "**Collateral**"):

- (a) all Pledged Collateral, including that portion of the Pledged Collateral constituting General Intangibles and that portion of Pledged Collateral constituting Investment Property;
- (b) all books and Records pertaining to the property described in this Section 2.1; and
- (c) to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for any of the foregoing.

Section 2.2 Certain Exclusions

Notwithstanding anything herein to the contrary, the New Secured Obligations will be subject to any relevant fraudulent transfer limitation provisions of the applicable Debt Documents.

Section 2.3 Pledgors Remain Liable

Anything contained herein to the contrary notwithstanding:

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

- (b) neither the Security Agent nor any Secured Party will have any obligation or liability under any agreement or document included in the Collateral by reason of this Agreement, and neither the Security Agent nor any Secured Party will be obligated to perform any of the obligations or duties of any Pledgor thereunder or to take any action to collect or enforce any claim for payment included in the Collateral.

SECTION 3

REPRESENTATIONS AND WARRANTIES

Each Pledgor represents and warrants to the Security Agent and the other Secured Parties on and as of the date hereof that:

Section 3.1 Title

Such Pledgor owns or otherwise has rights in all assets included in the Collateral, free and clear of any and all Liens, rights or claims of all other Persons, other than Permitted Liens which have priority as a matter of law. Such Pledgor has not filed or consented to the filing of any Filing, in each case which is still in effect.

Section 3.2 Names, Locations

- (a) Schedule 3.2 sets forth with respect to such Pledgor under the heading "Names", (i) its exact name, as such name appears in the public record of its jurisdiction of organization which shows such Pledgor to have been organized, (ii) its US federal taxpayer identification number (or a statement that such Pledgor has no such number) and (iii) the jurisdiction of organization of such Pledgor and its organizational number.
- (b) Schedule 3.2 sets forth with respect to such Pledgor under the heading "Locations", the location of the principal place of business of the Pledgor.
- (c) Except as set forth on Schedule 3.2 under the heading "Changes in Identity or Organizational Structure", such Pledgor has not changed its (i) name, (ii) jurisdiction of organization, chief executive office, principal place of business or other Location or (iii) organizational structure in any way in the past four months. Such changes would include mergers, consolidations and acquisitions, as well as any change in the name, form or jurisdiction of such Pledgor. If any such change has occurred, Schedule 3.2 sets forth the date of such change and all information applicable to each acquiree or constituent party to a merger or consolidation.

Section 3.3 Filings, Consents

- (a) Each Pledgor has delivered to the Security Agent, for filing in each governmental, municipal or other office specified in Schedule 3.3, true, complete and correct copies of all Filings containing an accurate description of the Collateral. Such Filings are all of the Filings that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected Security Interest in favor of the Security Agent (for the benefit of the Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States. No further or subsequent Filing is necessary in the United States, except as provided under applicable law with respect to (i) the filing of continuation statements and (ii) any changes to the Pledgor's organizational structure or to the Pledgor's organizational

documents permitted by the Intercreditor Agreement and the Debt Documents, as required pursuant thereto in order for the Security Agent to continue to have at all times following each such change a legal, valid and perfected Security Interest in all the Collateral.

- (b) All filing or recording fees and taxes payable in connection with the Filings described in clause (a) above have been or promptly will be paid by such Pledgor.

Section 3.4 Security Interest

Upon the execution and delivery of this Agreement, this Agreement will be effective to create legally valid and enforceable Liens on the Collateral in favor of the Security Agent for the benefit of the Secured Parties. Such Liens will constitute, upon (i) the timely filing of the Filings in accordance with Section 3.3 and (ii) the delivery of the tangible Pledged Collateral to the Security Agent and the Security Agent taking possession of such Pledged Collateral in accordance with Section 3.5, a perfected security interest in all Collateral pursuant to the UCC. The Security Interest is, and will be, prior to any other Lien on any of the Collateral, other than Permitted Liens which have priority as a matter of law.

Section 3.5 Pledged Collateral

- (a) Schedule 3.5 sets forth under the heading "Pledged Equity," all Pledged Equity of the Pledgor and identifies any such Pledged Equity that is represented by Certificated Securities. Such Pledged Equity constitutes that percentage of the issued and outstanding Equity Interests of all classes of the issuer thereof as set forth on Schedule 3.5.
- (b) All of the Pledged Equity has been duly and validly issued and, to the extent applicable, fully paid and non-assessable.
- (c) There are no restrictions on transfer in any LLC Agreement, Partnership Agreement, shareholders' agreement or other organizational documents governing any Pledged Equity or otherwise relating to the Pledged Collateral is necessary or required in connection with (i) the grant of a security interest in the Pledged Equity or the Equity Rights to the Security Agent; (ii) the perfection of such security interest; (iii) the exercise of remedies in respect of such perfected security interest in the Pledged Equity or the Equity Rights; or (iv) the transfer of the Pledged Equity and the Equity Rights, in each case as contemplated by this Agreement, except such approvals, consents or other actions that have been duly obtained or taken and are in full force and effect.
- (d) All of the Pledged Equity is a Certificated Security governed by Article 8 of the UCC.
- (e) (i) No Person other than the Security Agent has Control over any Pledged Collateral of such Pledgor and (ii) the Pledged Collateral consists only of (A) Pledged Equity in respect of any LLC or Partnership that constitutes General Intangibles and (B) Pledged Collateral that is represented by Certificated Securities or Instruments that are or will, no later than 30 days after the date of this Agreement, be in the possession of the Security Agent.

SECTION 4 COVENANTS

Section 4.1 Change of Name; Location of Collateral; Place of Business

Upon the making of any change of the information described in Section 3.2 or the taking of any action which would cause any Filing made in connection with this Agreement to become misleading, such Pledgor shall provide notice to the Security Agent within 30 days after such change or action (or such other period of time as agreed to by the Security Agent in its reasonable discretion). Each Pledgor agrees to cooperate with the Security Agent in making all Filings that are reasonably required in order for the Security Agent to continue at all times following such change to have a legal, valid and perfected Security Interest in all the Collateral; **provided that** nothing in this Section 4.1 shall require such Pledgor to take any action to perfect the Security Interests in the Collateral other than making (or causing to be made) the Filings.

Section 4.2 Security Supplement

Following the occurrence and during the continuance of an Event of Default, upon written request of the Security Agent, such Pledgor will deliver to the Security Agent (a) a Security Supplement together with all supplements to Schedules hereto or (b) a written confirmation executed and delivered by a financial officer of such Pledgor confirming that there has been no change in the information provided herein since the date such information was last provided. Notwithstanding anything to the contrary in this Agreement, (i) any Security Supplement delivered pursuant this Section 4.2, together with all applicable schedules, shall satisfy the requirements of each other provision of this Agreement requiring delivery of such a Security Supplement, and (ii) the Security Interest of the Security Agent will attach to all additional Collateral immediately upon any Pledgor's acquisition of rights therein and will not be affected by the failure of such Pledgor to deliver any required Security Supplement.

Section 4.3 Protection of Security

Each Pledgor will (a) take any and all reasonable (but commercially prudent) actions necessary or desirable to defend (i) title to the Collateral and (ii) the Security Interest of the Security Agent in the Collateral and the first priority thereof against any Lien (except Permitted Liens which have priority), in each case against all claims and demands of all Persons at any time, (b) use all reasonable (but commercially prudent) efforts to keep in full force and effect all Supporting Obligations constituting Collateral, and (c) promptly notify the Security Agent if any material portion of the Collateral owned or held by such Pledgor is damaged or destroyed. No Pledgor will enter into any agreement or take or cause to be taken any action that could materially impair the Security Agent's rights in the Collateral, except as permitted under the Debt Documents.

Section 4.4 Pledged Collateral

- (a) Each Pledgor will use all reasonable (but commercially prudent) efforts to enforce all of its rights with respect to any Pledged Collateral except as otherwise permitted by the terms of this Agreement, the Intercreditor Agreement, and the other Debt Documents.
- (b) Without the prior written consent of the Security Agent, no Pledgor will vote or take any other action to amend or terminate any relevant organizational documents, in any way that materially adversely changes the rights of such Pledgor with respect to any Collateral or adversely affects the validity, perfection or priority of the Security Agent's Security Interest therein (including, for the avoidance of doubt, any change to designate

any of the Pledged Equity as a Security for purposes of Article 8 of the UCC, or to convert any of the Pledged Equity to a Certificated Security that can be perfected by Control).

- (c) With respect to any Pledged Collateral hereafter acquired by any Pledgor, such Pledgor will (A) within ten (10) Business Days (or such other period of time as agreed by the Security Agent in its reasonable discretion), deliver to the Security Agent a completed Security Supplement, together with all supplements to Schedules hereto, reflecting such Pledged Collateral and all other Pledged Collateral, in each case in form and substance satisfactory to the Security Agent, and (B) on the date pledged and in any event, as soon as reasonably practicable and no later than five (5) Business Days thereafter, if such Pledged Equity constitutes Certificated Securities, Pledgor will deliver or cause to be delivered to the Security Agent, all such Certificated Securities, stock powers or other instruments of transfer duly executed in blank and otherwise reasonably satisfactory to the Security Agent and all such instruments and documents as the Security Agent may reasonably request in order to give effect to the pledge granted hereby.

(d) **Voting and Distributions**

- (i) So long as no Event of Default has occurred and is continuing:
 - (A) except as otherwise provided in this Section 4.4 or elsewhere herein or in the Debt Documents, each Pledgor will be entitled to exercise or refrain from exercising any and all voting and other consensual rights pertaining to the Pledged Collateral or any part thereof for any purpose not inconsistent with the terms of this Agreement, the Intercreditor Agreement or the other Debt Documents; **provided, however, that** such Pledgor will not be entitled to exercise any such right if the result thereof could materially and adversely affect the rights and remedies of any Secured Party under this Agreement, the Intercreditor Agreement or any other Debt Document or the ability of the Secured Parties to exercise the same;
 - (B) to the extent needed by any Pledgor to exercise rights with respect to Pledged Collateral or to receive Dividends with respect thereto (to the extent such receipt is permitted under clause (d)(i)(C) below), the Security Agent will promptly execute and deliver (or cause to be executed and delivered) to each Pledgor all proxies and other instruments as such Pledgor may from time to time reasonably request for the purpose of enabling such Pledgor to exercise the voting and other consensual rights when and to the extent that it is entitled to exercise the same pursuant to clause(d)(i)(A) above and to receive the Cash Dividends that it is entitled to receive pursuant to clause (d)(i)(C) below; and
 - (C) each Pledgor will be entitled to receive and retain any and all Cash Dividends (except as set forth below) solely to the extent not prohibited by the terms and conditions of the Intercreditor Agreement, the other Debt Documents and applicable laws. All (1) non-Cash Dividends, and

(2) Cash Dividends in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid-in surplus, and all other distributions (other than distributions referred to in the preceding sentence) made on or in respect of the Pledged Collateral, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Pledged Collateral or received in exchange for, Pledged Collateral or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise (the foregoing clauses (1) and (2), collectively, the **"Pledged Dividends"**), will be and become part of the Collateral without any further action. Such Pledgor will promptly take all steps, if any, reasonably required or reasonably necessary to ensure the validity, perfection and priority and Control of the Security Agent over the Pledged Dividends to the extent that such Pledged Dividends constitute Certificated Securities (including delivery thereof) and pending any such action such Pledgor will be deemed to hold the Pledged Dividends, in trust for the benefit of the Security Agent and the Pledged Dividends will not be commingled with any other property of such Pledgor.

- (ii) Upon the occurrence and during the continuance of an Event of Default:
 - (A) all rights of the Pledgors to exercise or refrain from exercising the voting and other consensual rights that they would otherwise be entitled to exercise pursuant hereto will cease and all such rights will thereupon become vested in the Security Agent, who will thereupon have the sole right to exercise such voting and other consensual rights; **provided that**, subject to the terms of the Debt Documents, the Security Agent will have the right from time to time following the occurrence and during the continuation of an Event of Default to permit the Pledgor to exercise such rights;
 - (B) in order to permit the Security Agent to exercise the voting and other consensual rights that it may be entitled to exercise pursuant hereto and to receive all Dividends that it may be entitled to receive hereunder: (1) the Pledgors will promptly execute and deliver (or cause to be executed and delivered) to the Security Agent all proxies, Dividend payment orders and other instruments as the Security Agent may from time to time reasonably request and (2) each Pledgor acknowledges that the Security Agent may utilize the power of attorney set forth in Section 6.1; and
 - (C) all rights of the Pledgors to Dividends that any Pledgor is authorized to receive pursuant to clause (d)(i)(C) above will cease, and all such rights will thereupon become vested in the Security Agent, which will have the sole and exclusive right and authority to receive and retain such Dividends.

After all Events of Default have been cured or waived, each Pledgor will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise and to receive Cash Dividends that it would otherwise be entitled to receive, in each case pursuant to the terms of clause (d)(i) above.

SECTION 5 FURTHER ASSURANCES

Section 5.1 Further Assurances

- (a) Each Pledgor agrees that from time to time, it will promptly execute and deliver to the Security Agent all further instruments and documents and take all further action, that may be reasonably necessary, 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 other applicable law or to enable the Security Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, such Pledgor will:
 - (i) execute, acknowledge, deliver and cause to be duly filed all such further instruments, documents, endorsements, powers of attorney or notices, and take all such actions as may be reasonably necessary, or as the Security Agent may from time to time reasonably request, to preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements or other documents in connection herewith or therewith;
 - (ii) at the Security Agent's reasonable request, appear in and defend any action or proceeding that could reasonably be expected to materially and adversely affect such Pledgor's title to or the Security Agent's Security Interest in all or any material part of the Collateral.
- (b) To the extent permitted by applicable law, each Pledgor hereby authorizes the Security Agent to make Filings in all jurisdictions and with all filing offices as the Security Agent may reasonably determine, in its reasonable discretion, are necessary or advisable to perfect the Security Interest granted to the Security Agent herein, without the signature of such Pledgor. Such Filings may describe the Collateral in the same manner as described herein or may contain an indication or description of the Collateral that describes such property in any other manner as the Security Agent may determine, in its reasonable discretion, is necessary, advisable or prudent to ensure the perfection of the Security Interest in the Collateral granted to the Security Agent herein.

Section 5.2 Additional Pledgors

From time to time subsequent to the date hereof, additional Persons may become parties hereto as additional Pledgors (each, an **"Additional Pledgor"**) by executing a Joinder Agreement. Upon delivery of any such Joinder Agreement to the Security Agent, notice of which is hereby waived by the Pledgors to the extent permitted by applicable laws, each Additional Pledgor will be a Pledgor and will

be as fully a party hereto as if such Additional Pledgor were an original signatory hereto. Each Pledgor expressly agrees that its obligations arising hereunder will not be affected or diminished by the addition or release of any other Pledgor hereunder, nor by any election of the Security Agent not to cause any Domestic Subsidiary of any Pledgor to become an Additional Pledgor hereunder. This Agreement will be fully effective as to any Pledgor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Pledgor hereunder.

SECTION 6

SECURITY AGENT APPOINTED ATTORNEY-IN-FACT

Section 6.1 Power of Attorney

Each Pledgor hereby irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Pledgor's true and lawful agent and attorney-in-fact (such appointment coupled with an interest), with full authority in the place and stead of such Pledgor and in the name of such Pledgor, the Security Agent or otherwise, from time to time in the Security Agent's reasonable discretion (subject to the limitations set forth in clauses (a) and (c) below, with respect to actions taken pursuant thereto), to take any action and to execute any instrument that the Security Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, including the following:

- (a) upon the occurrence and during the continuance of an Event of Default (and after notice to the applicable Pledgor, it being understood that the failure to provide such notice shall not limit the rights of the Security Agent hereunder),
 - (i) to receive, endorse, assign, collect and deliver any and all notes, acceptances, checks, drafts, Cash orders or other instruments, documents or other evidences of payment relating to the Collateral;
 - (ii) to ask for, demand, collect, sue for, recover, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral;
 - (iii) to sign the name of such Pledgor on any invoice or Document (as defined in the UCC) relating to any of the Collateral;
 - (iv) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral;
 - (v) to settle, compromise, adjust or defend any claims, actions, suits or proceedings relating to all or any of the Collateral;
 - (vi) to vote and give consents, ratifications and waivers with respect to the Collateral;
 - (vii) to execute, in connection with the sale provided for in Section 7.1(a), any endorsement, assignments, or other instruments of conveyance or transfer with respect to the Collateral; and

- (viii) subject to Section 7.1(a)(i), generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Security Agent were the absolute owner thereof for all purposes, and to do, at the Security Agent's option and such Pledgor's expense, at any time or from time to time, all acts and things that the Security Agent deems reasonably necessary to protect, preserve or realize upon the Collateral and the Security Agent's Security Interest therein in order to effect the intent of this Agreement, all as fully and effectively as such Pledgor might do;
- (b) to prepare and make Filings as further described in Section 5.1; and
- (c) in the event that such Pledgor has failed to do so, within five Business Days of being notified in writing by the Security Agent of the failure and being requested to comply, to take or cause to be taken all actions reasonably necessary to perform or comply or cause performance or compliance with the terms of this Agreement or any other Debt Document to which such Pledgor is party, including, to pay or discharge taxes or Liens (other than Liens permitted under the Intercreditor Agreement and other Debt Documents) levied or placed upon or threatened against the Collateral, or the legality or validity thereof, and the amounts necessary to discharge the same to be determined by the Security Agent in its reasonable discretion, any such payments made by the Security Agent to become obligations of such Pledgor to the Security Agent, due and payable immediately without demand.

Section 6.2 No Duty on the Part of Security Agent or Secured Parties

Notwithstanding any other provision of this Agreement, nothing herein contained will be construed as requiring or obligating the Security Agent or any other Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Security Agent or any other Secured Party, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the Cash due or to become due in respect thereof or any property covered thereby, and no action taken or omitted to be taken by the Security Agent or any other Secured Party with respect to the Collateral or any part thereof will give rise to any defense, counterclaim or offset in favor of any Pledgor or to any claim or action against the Security Agent or any other Secured Party, except to the extent such action constitutes gross negligence, bad faith or willful misconduct. The provisions of this Section 6.2 will in no event relieve any Pledgor of any of its obligations hereunder or under any other Debt Document with respect to the Collateral or any part thereof or impose any obligation on the Security Agent or any other Secured Party to proceed in any particular manner with respect to the Collateral or any part thereof, or in any way limit the exercise by the Security Agent or any other Secured Party of any other or further right that it may have on the date of this Agreement or hereafter, whether hereunder, under any other Debt Document, by law or otherwise. The Security Agent and the other Secured Parties will 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, employees or agents will be responsible to the Pledgors for any act or failure to act hereunder, except for their own officers', directors', employees' or agents' gross negligence or willful misconduct.

SECTION 7 REMEDIES

Section 7.1 Remedies Upon Event of Default

- (a) Upon the occurrence and during the continuance of an Event of Default, the Security Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or in the Intercreditor Agreement or otherwise available to it at law or in equity, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Collateral) or any other applicable law, and also may pursue any of the following separately, successively or simultaneously:
 - (i) without notice to the Pledgors, (A) transfer all or any portion of the Pledged Collateral to its name or the name of its nominee or agent and/or (B) exchange any certificates or Instruments representing any Pledged Collateral for certificates or Instruments of smaller or larger denominations; and
 - (ii) without prior notice (except as specified herein and otherwise in accordance with the terms of the UCC), sell, assign, lease, license (on an exclusive or non-exclusive basis) or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale or at any broker's board or on any securities exchange, at any of the Security Agent's offices or elsewhere, for Cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as the Security Agent may deem commercially reasonable; **provided that** (i) the Security Agent will be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, (ii) upon consummation of any such sale the Security Agent will have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold, (iii) each such purchaser at any such sale will hold the property sold absolutely, free from any claim or right on the part of any Pledgor, and (iv) each Pledgor hereby waives (to the extent permitted by law) all rights of redemption, stay, valuation and appraisal that such Pledgor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.
- (b) In accordance with the terms of the UCC, the Security Agent or any other Secured Party may be the purchaser of any or all of the Collateral at any sale thereof and the Security Agent, as security agent for and representative of the Secured Parties, will be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the New Secured Obligations as a credit on account of the purchase price for any Collateral payable by the Security Agent at such sale.
- (c) Each Pledgor hereby waives notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice

made will be deemed reasonable if sent to the Company, addressed as set forth in the notice provisions of the Intercreditor Agreement, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. Such notice, in the case of a public sale, will state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, will state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale will be held at such time or times during ordinary business hours and at such place or places as the Security Agent may reasonably fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Security Agent may (in its sole and absolute discretion) determine. The Security Agent will not be obligated to make any sale of any Collateral if it reasonably determines not to do so, regardless of the fact that notice of sale of such Collateral may have been given. The Security Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Security Agent until the sale price is paid by the purchaser or purchasers thereof, but the Security Agent will not incur any liability in case any such purchaser or purchasers fails to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof will be treated as a sale thereof; the Security Agent will be free to carry out such sale pursuant to such agreement and the Pledgors will not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Security Agent has entered into such an agreement all Events of Default have been remedied and the New Secured Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Security Agent may proceed by a suit or suits at law or in equity to foreclose upon the Collateral and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Each Pledgor acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private.

- (d) If the Proceeds of any sale or other disposition of the Collateral are insufficient to pay the entire outstanding amount of the New Secured Obligations, the Pledgors will be liable for the deficiency and the fees of any attorneys employed by the Security Agent to collect such deficiency. Each Pledgor further agrees that a breach of any of the covenants contained in this Section 7.1 may cause irreparable injury to the Security Agent, that the Security Agent has no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 7.1 will be specifically enforceable against the Pledgors, and the Pledgors hereby waive and

agree not to assert any defenses in an action for specific performance of such covenants except for a defense that no default has occurred giving rise to the New Secured Obligations becoming due and payable prior to their stated maturities. Nothing in this Section 7.1 will in any way alter the rights of the Security Agent hereunder.

- (e) The Security Agent will have no obligation to marshal any of the Collateral.
- (f) To the extent that applicable law imposes duties on the Security Agent to exercise remedies in a commercially reasonable manner, each Pledgor acknowledges and agrees (pursuant to § 9-603 of the UCC) that it is not commercially unreasonable for the Security Agent (i) to fail to incur expenses reasonably deemed significant by the Security Agent to prepare Collateral for disposition; (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of; (iii) to remove any Lien on or any adverse claims against Collateral; (iv) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature; (v) to contact other persons, whether or not in the same business as the Pledgor, for expressions of interest in acquiring all or any portion of the Collateral; (vi) to hire one or more professional auctioneers to assist in the disposition of Collateral; (vii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets; (viii) to dispose of assets in wholesale rather than retail markets; (ix) to disclaim disposition warranties; (x) to purchase insurance or credit enhancements to insure the Secured Parties against risks of loss, collection or disposition of Collateral or to provide to the Secured Parties a guaranteed return from the collection or disposition of Collateral; or (xi) to the extent deemed appropriate by the Security Agent, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Security Agent in the collection or disposition of any of the Collateral. Each Pledgor acknowledges that the purpose of this Section 7.1(f) is to provide non exhaustive indications of what actions or omissions by the Security Agent would not be commercially unreasonable in the Security Agent's exercise of remedies against the Collateral and that other actions or omissions by the Security Agent shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 7.1(f). Without limiting the foregoing, nothing contained in this Section 7.1(f) shall be construed to grant any rights to any Pledgor or to impose any duties on the Security Agent that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 7.1(f).

Section 7.2 Application of Proceeds

- (a) The Security Agent will apply the proceeds of any collection or sale of the Collateral at the times, in the manner and in the order provided in the Intercreditor Agreement. Any such proceeds will continue to be held as collateral security for the New Secured Obligations (and will not constitute payment thereof until so applied).
- (b) For the avoidance of doubt, all proceeds received by the Security Agent in respect of any part of the Collateral prior to the occurrence and continuance of an Event of Default shall be returned to the applicable Pledgor to the extent such proceeds are not required

to be applied in any other manner under the Intercreditor Agreement or the other Debt Documents.

Section 7.3 US Securities Laws

Each Pledgor understands that compliance with the US Securities Laws might very strictly limit (a) the course of conduct of the Security Agent if the Security Agent were to attempt to dispose of all or any part of the Pledged Collateral, and (b) limit the extent to which or the manner in which any subsequent transferee of any such Pledged Collateral could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Security Agent in any attempt to dispose of all or part of the Pledged Collateral under the US Securities Laws. Each Pledgor recognizes that, in light of such restrictions and limitations, the Security Agent may, with respect to any sale of the Pledged Collateral, limit the purchasers to those who will agree, among other things, to acquire such Pledged Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that, in light of such restrictions and limitations, upon the occurrence of and during the continuance of an Event of Default, the Security Agent, in its sole and absolute discretion exercised in good faith, (i) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Collateral or part thereof has been filed under the US Securities Laws and (ii) may approach and negotiate with a single potential purchaser to effect such sale. Each Pledgor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Security Agent will incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Security Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section 7.3 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices might exceed substantially the price at which the Security Agent sells.

SECTION 8

STANDARD OF CARE; SECURITY AGENT MAY PERFORM

- (a) The powers conferred on the Security Agent hereunder are solely to protect its interest in the Collateral and will not impose any duty upon it to exercise any such powers. Except for the exercise of reasonable care in the custody of any Collateral in its possession and the accounting for Cash actually received by it hereunder, the Security Agent will have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. The Security Agent will be deemed to have exercised reasonable care in the custody and preservation of Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Security Agent accords its own property. Neither the Security Agent nor any of its directors, officers, employees or agents will be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or will be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Pledgor or otherwise.
- (b) To the extent limited by the terms of this Agreement and the Intercreditor Agreement, if any Pledgor fails to perform any agreement contained herein, the Security Agent may

itself (but shall not be obliged to) perform, or cause performance of, such agreement, and the reasonable and documented out-of-pocket expenses of the Security Agent incurred in connection therewith will be payable by such Pledgor in accordance with Section 9.5.

SECTION 9 MISCELLANEOUS

Section 9.1 Notices

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

Section 9.2 Security Interest Absolute

All rights of the Security Agent hereunder, the Security Interest and all obligations of the Pledgors hereunder will be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Intercreditor Agreement or any other Debt Document, (b) except with respect to, or as a result of, any amendment to the obligations of the Pledgors hereunder, any change in the time, manner or place of payment of, or in any other term of, all or any of the New Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Intercreditor Agreement or any other Debt Document, (c) any exchange, release or non-perfection of any Lien on Collateral, or except with respect to, or as a result of, any amendment to the obligations of the Pledgors hereunder, any release or amendment or waiver of or consent under or departure from any Security Document or the Intercreditor Agreement, or (d) except with respect to, or as a result of, any amendment to the obligations of the Pledgors hereunder, any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Pledgors in respect of the New Secured Obligations or this Agreement (other than the indefeasible payment in full in Cash of the New Secured Obligations, other than Unasserted Obligations).

Section 9.3 Survival of Agreement

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

Section 9.4 Successors and Permitted Assigns

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

Section 9.5 Security Agent's Fees and Expenses; Indemnification

- (a) Without limitation of its reimbursement obligations under the other Debt Documents, each Pledgor agrees to pay upon demand to the Security Agent the amount of any and all reasonable costs and expenses (including the reasonable fees, disbursements and other charges of counsel to the Security Agent) on the terms and conditions set forth in Clause 22.3 of the Intercreditor Agreement, which such terms shall be incorporated herein by reference, *mutatis mutandis*.
- (b) Without limitation of its indemnification obligations under the other Debt Documents, each Pledgor agrees to indemnify the Security Agent and each other Secured Party and indemnitee against, and hold each of them harmless from, any and all claims, damages, liabilities, obligations, losses, penalties, actions, judgments and suits on the terms and conditions set forth in Clause 23.1 of the Intercreditor Agreement, which such terms shall be incorporated herein by reference, *mutatis mutandis*.

Section 9.6 Applicable Law

This Agreement, and the rights and obligations of the parties hereunder, are governed by, and will be construed and enforced in accordance with, the internal laws of the State of New York (including § 5-1401 of the New York General Obligations Law), without regard to conflict of laws principles that would require application of another law (other than any mandatory provisions of the UCC relating to the law governing perfection or priority of the Security Interests).

Section 9.7 Waivers; Amendment

- (a) No failure on the part of the Security Agent to exercise and no delay in exercising any power or right hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Security Agent and the other Secured Parties hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or consent to any departure by the Pledgors therefrom will in any event be effective unless the same is permitted by paragraph (b) below, and then such waiver or consent will be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Pledgor in any case will entitle such Pledgor or any other Pledgor to any other or further notice or demand in similar or other circumstances.

- (b) Neither this Agreement nor any provision hereof may be waived, amended or modified except (i) as provided herein with respect to any Security Supplement or Joinder Agreement or (ii) pursuant to an agreement or agreements in writing entered into by the Security Agent and the Pledgors, subject to any consent required in accordance with the Intercreditor Agreement and any other Debt Document.

Section 9.8 Waiver of Jury Trial

Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any dealings between them relating to the subject matter of this Agreement or any transactions provided hereunder or contemplated hereby to the fullest extent permitted by applicable law. The scope of this waiver is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into a business relationship, that each party has already relied on this waiver in entering into this Agreement, and that each party will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing (other than by a mutual written waiver specifically referring to this Section 9.8 and executed by each of the parties hereto), and this waiver will apply to any subsequent amendments, renewals, supplements or modifications to this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 9.9 Severability

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

Section 9.10 Counterparts; Effectiveness

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith (a) may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument (and signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document, and (b) will become effective upon the execution and delivery of a counterpart hereof by each of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an executed facsimile or "PDF" (PDF) counterpart of a signature page to this Agreement or any such amendments, waivers, consents or supplements shall be effective as delivery of an original executed counterpart hereof or thereof and shall be admissible into evidence for all purposes. The Security Agent may also request that any such facsimile or PDF signatures be confirmed by a manually signed

original thereof; **provided that** the failure to request or deliver the same shall not limit the effectiveness of any facsimile or PDF signature delivered.

Section 9.11 Section Titles

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

Section 9.12 Consent to Jurisdiction and Service of Process

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

- (A) **accepts generally and unconditionally the nonexclusive jurisdiction and venue of such NY Courts;**
- (B) **waives any defense of forum *non conveniens*;**
- (C) **agrees that service of all process in any such proceeding in any such NY Court may be made by registered or certified mail, return receipt requested, to such Pledgor at its address provided in accordance with Section 9.1;**
- (D) **agrees that service as provided in clause (C) above is sufficient to confer personal jurisdiction over such Pledgor in any such proceeding in any such NY Court, and otherwise constitutes effective and binding service in every respect;**
- (E) **agrees that the Security Agent and the Secured Parties retain the right to serve process in any other manner permitted by law or to bring proceedings against such Pledgor in the courts of any other jurisdiction; and**
- (F) **agrees that the provisions of this Section 9.12 relating to jurisdiction and venue will be binding and enforceable to the fullest extent permitted by law (under New York General Obligations Law Section 5-1402 or otherwise).**

Section 9.13 Termination

- (a) This Agreement and the Security Interest will terminate when the Security Agent is satisfied that the Final Discharge Date (as defined in the Intercreditor Agreement) has occurred.
- (b) Upon any sale, lease, transfer or other disposition of any item of Collateral of any Pledgor in accordance with the terms of the Debt Documents, the Security Interest of the Security Agent in such item of Collateral shall be automatically released.
- (c) Upon any termination or release pursuant to this Section 9.13, the Security Agent shall execute and deliver to the applicable Pledgor, at such Pledgor's expense, all UCC termination statements, releases and similar documents that the Pledgor may reasonably request to effect and/or evidence such termination or release. Any such execution and delivery of termination statements, releases or other documents will be without recourse to or warranty by the Security Agent.

Section 9.14 Acknowledgment and Consent to Bail-In of Affected Financial Institutions

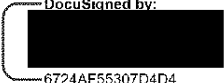
Notwithstanding anything to the contrary in any Debt Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Debt Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable 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 the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; 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 such Affected Financial Institution, 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 Debt Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.


[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each Pledgor and the Security Agent have caused this Agreement to be duly executed and delivered by their respective officers or representatives thereunto duly authorized as of the date first written above.

C. & J. CLARK (HOLDINGS) LIMITED,
as Pledgor

By 
Name: Paul Wakefield
Title: Director

LUCID TRUSTEE SERVICES LIMITED,
as Security Agent

By 
Name: Paul Barton
Title: Director

Schedule 3.2

Names and Locations

Names

Pledgor's correct legal name	Jurisdiction of organization and Organizational number
C. & J. Clark (Holdings) Limited	Private limited company incorporated in England with company number 00079142

Locations

Pledgor	Principal place of business
C. & J. Clark (Holdings) Limited	40 High Street, Street, Somerset, BA16 0EQ UK

Changes in Identity or Organizational Structure

Pledgor	Description and date of relevant change:
C. & J. Clark (Holdings) Limited	N/A

Schedule 3.3

Filings

Pledgor	Filing Office(s)
C. & J. Clark (Holdings) Limited	District of Columbia

Schedule 3.5

Pledged Collateral

Pledged Equity

Pledgor	Equity Issuer	Organizational Form and Jurisdiction of Equity Issuer	Amount, Percentage and Type of Equity Interests; Certificate Numbers (if any)
C. & J. Clark (Holdings) Limited	Clarks Americas Inc.	Corporation organized under the laws of the state of Delaware	100% of issued common stock; 962 shares represented by certificate number _____

EXHIBIT A

FORM OF SECURITY SUPPLEMENT

This **SECURITY SUPPLEMENT**, dated as of [●], is delivered pursuant to the Pledge Agreement, dated as of February 19, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "**Pledge Agreement**"), by C. & J. Clark (Holdings) Limited a private limited company incorporated in England with company number 00079142 (the "**Pledgor**" and together with each Person that executes a Joinder Agreement and becomes a pledgor thereunder, the "**Pledgors**"), the other pledgors from time to time party thereto and Lucid Trustee Services Limited as security agent for the Secured Parties (in such capacity, the "**Security Agent**"). Capitalized terms used herein but not defined herein are used with the meanings given them in the Pledge Agreement.

[●] (the "**Undersigned Pledgor**") confirms, as set forth in the Pledge Agreement, that it has pledged, assigned, transferred and granted (and, to the extent necessary, it hereby pledges, assigns, transfers and grants) to the Security Agent, for the benefit of the Secured Parties, a continuing security interest in, and Lien on, all of its right, title and interest in, to and under the Collateral as security for the prompt and complete payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all New Secured Obligations in accordance with the terms of and subject to the limitations specified in the Pledge Agreement.

The Undersigned Pledgor represents and warrants that the attached Supplements to Schedules accurately and completely set forth all information required pursuant to the Pledge Agreement and hereby agrees that such Supplements to Schedules will [constitute part of][replace]¹ the Schedules to the Pledge Agreement.

IN WITNESS WHEREOF, the Undersigned Pledgor has caused this Security Supplement to be duly executed and delivered by its duly authorized officer or representative as of the date first written above.

[UNDERSIGNED PLEDGOR]

By: _____
Name:
Title:

[ACKNOWLEDGED AND AGREED:]

[●],
as Security Agent

¹ Insert appropriate term.

By: _____

Name:

Title:]²

² It is advisable for the Security Agent to countersign the Security Supplement if the Schedules are being replaced.

EXHIBIT B

FORM OF JOINDER AGREEMENT

This **JOINDER AGREEMENT**, dated as of [●], is delivered pursuant to Section 5.2 of the Pledge Agreement dated as of February 19, 2021 (the "**Pledge Agreement**"), entered into by C. & J. Clark (Holdings) Limited, a private limited company incorporated in England with company number 00079142 (the "**Pledgor**" and together with each Person that executes a Joinder Agreement and becomes a pledgor thereunder, the "**Pledgors**"), the other Pledgors from time to time party thereto, and Lucid Trustee Services Limited as security agent for the Secured Parties (as defined in the Intercreditor Agreement referred to below) (in such capacity, the "**Security Agent**"). Capitalized terms used herein but not defined herein are used with the meanings given them in the Pledge Agreement.

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

- (a) pledges, assigns, transfers and grants to the Security Agent, for the benefit of the Secured Parties, a continuing security interest in and Lien on all of its right, title and interest in, to and under the Collateral as security for the prompt and complete payment and performance in full when due (whether at stated maturity, by acceleration or otherwise) of all New Secured Obligations (as defined in the Intercreditor Agreement); and
- (b) expressly assumes all obligations of a Pledgor under the Pledge Agreement.

The information set forth in Exhibit A hereto [is hereby added to][hereby replaces]³ the information set forth in the Schedules to the Pledge Agreement.

The Additional Pledgor hereby represents and warrants that (a) each of the representations and warranties contained in Section 3 (*Representations and Warranties*) of the Pledge Agreement applicable to it is true and correct on and as the date hereof as if made on and as of such date and (b) all Equity Interests issued to the Additional Pledgor are [[Certificated Securities][Uncertificated Securities] governed by Article 8 of the UCC][General Intangibles governed by Article 9 of the UCC].

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE GOVERNED BY, AND WILL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING Error! Reference source not found.- 1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THAT WOULD REQUIRE APPLICATION OF ANOTHER LAW.

[Remainder of page intentionally left blank]

³ Insert appropriate term.

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

[ADDITIONAL PLEDGOR]

By: _____

Name:

Title:

ACKNOWLEDGED AND AGREED:

[•],

as Security Agent

By: _____

Name:

Title: