



**Registration of a Charge**

Company name: **AXALTA COATING SYSTEMS UK LIMITED**

Company number: **02238419**



XA1TRNTN

Received for Electronic Filing: **06/04/2021**

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**Details of Charge**

Date of creation: **01/04/2021**

Charge code: **0223 8419 0006**

Persons entitled: **BARCLAYS BANK PLC (1 CHURCHILL PLACE, LONDON E14 5HP, UNITED KINGDOM,) AS COLLATERAL AGENT FOR THE SECURED PARTIES.**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by:

**CLIFFORD CHANCE LLP**



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

Company number: 2238419

Charge code: 0223 8419 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st April 2021 and created by AXALTA COATING SYSTEMS UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th April 2021 .

Given at Companies House, Cardiff on 7th April 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

## GMBH SHARE PLEDGE AGREEMENT

dated 1 April 2021

between

**Axalta Coating Systems UK Limited**, Unit 1 Quadrant Park, Mundells, Welwyn Garden City, Hertfordshire, AL7 1FS, United Kingdom (hereinafter referred to as "**Pledgor**")

and

**Barclays Bank PLC**, 1 Churchill Place, London E14 5HP, United Kingdom (hereinafter referred to as "**Collateral Agent**" and "**Pledgee**"), acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees

and

**the Secured Parties as holders of Secured Obligations**

(as "**Pledgees**", represented for all purposes hereof by the Collateral Agent as direct representative (*direkter Stellvertreter*))

regarding

the pledge of all shares in

**Axalta Coating Systems GmbH**

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**THIS GMBH SHARE PLEDGE AGREEMENT (the "Agreement") is made BETWEEN:**

1. **Axalta Coating Systems UK Limited**, a company registered in England and Wales under company number 02238419, having its registered office at Unit 1 Quadrant Park, Mundells, Welwyn Garden City, Hertfordshire, AL7 1FS, United Kingdom (the "**Pledgor**");
2. **Barclays Bank PLC**, 1 Churchill Place, London E14 5HP, United Kingdom ("**Collateral Agent**" and "**Pledgee**") acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees (as defined below); and
3. **the Secured Parties as holders of Secured Obligations** (as "**Pledgees**") represented for all purposes hereof by the Collateral Agent as direct representative (*direkter Stellvertreter*).

**RECITALS**

- (A) Axalta Coating Systems Dutch Holding B B.V. and Axalta Coating Systems U.S. Holdings Inc. (f/k/a U.S. Coatings Acquisition Inc.), a Delaware corporation, Axalta Coating Systems U.S., Inc. (f/k/a Coatings Co. U.S. Inc.), a Delaware corporation, Axalta Coating Systems Ltd., a Bermuda exempted limited liability company, the Lenders party thereto from time to time and the Barclays Bank PLC, as administrative agent and collateral agent for the Lenders are party to a credit agreement, dated as of February 1, 2013 (as amended, amended and restated, supplemented, replaced or otherwise modified from time to time including any increases of the principal amount outstanding thereunder) (the "**Credit Agreement**").
- (B) Guarantors (as defined in the Credit Agreement), including the Pledgor and Barclays Bank PLC, as administrative agent are party to a guaranty agreement, dated as of February 1, 2013 (as amended, amended and restated, supplemented, replaced or otherwise modified from time).
- (C) The Pledgor owns 100 percent of the registered share capital (*Stammkapital*) of Axalta Coating Systems GmbH (CHE-479.660.345).
- (D) It is an undertaking under the Credit Agreement that the Pledged Assets are pledged as security for the Secured Obligations and the Pledgor has agreed to pledge its Pledged Assets to the Pledgees as security for the Secured Obligations.
- (E) Pursuant to section 1.03. (Swiss Collateral Documents) of Schedule 1.16 (*Foreign Guarantor Provisions*) to the Credit Agreement, each present and future Secured Party has appointed the Collateral Agent to accept as its direct representative (*direkter Stellvertreter*) any security created hereunder and to enter into this Agreement as direct representative (*direkter Stellvertreter*) in the name and for the account of each Secured Party. In addition, the Collateral Agent enters into this Agreement as creditor of the Parallel Debt.

**IT IS AGREED** as follows:

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1. Definitions**

Unless defined otherwise herein, capitalised terms and expressions used herein shall have the meaning ascribed to them in the Credit Agreement. In this Agreement:

- (a) **"Collateral Rights"** means all rights, powers and remedies of the Collateral Agent or the Pledges provided by this Agreement or by law.
- (b) **"CO"** means the Swiss Federal Code of Obligations.
- (c) **"Company"** means Axalta Coating Systems GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) duly created and existing under the laws of Switzerland, registered in Switzerland under company no. CHE-479.660.345, having its registered seat in Basel.
- (d) **"Credit Agreement"** has the meaning given to it in Recital (A).
- (e) **"Dividends"** means all dividend payments relating to the Shares resolved by a shareholders' meeting of the Company and effected by the Company whether in cash or in the form of additional shares in the Company (stock dividend) or in any other form.
- (f) **"Enforcement"** means the foreclosure or any other kind of realisation of the Pledged Assets.
- (g) **"Enforcement Event"** means an Event of Default has occurred that has not been cured or waived and that the Administrative Agent or the Collateral Agent has exercised any of its/their rights under section 8.02 of the Credit Agreement.
- (h) **"Enforcement Notice"** means a notice by the Collateral Agent informing the Pledgor that the Administrative Agent or Collateral Agent (or any other Pledgee) intends to exercise rights under section 8.02 of the Credit Agreement; *provided* that no Enforcement Notice shall be required if the Enforcement Event resulted from the occurrence of an Event of Default pursuant to section 8.01(f) or section 8.01(g) of the Credit Agreement, in each case that is continuing.
- (i) **"Event of Default"** has the meaning given to it in the Credit Agreement.
- (j) **"Lex Koller"** means the Swiss Federal Statute on Acquisition of Real Estate by Non-Residents of Switzerland.
- (k) **"Loan Documents"** has the meaning given to it in the Credit Agreement.
- (l) **"Loan Party"** has the meaning given to it in the Credit Agreement.

- (m) **"Parallel Debt"** has the meaning given to Parallel Debt in section 1.01. (*Parallel Debt*) of Schedule 1.16 (Foreign Guarantor Provisions) to the Credit Agreement.
- (n) **"Profit-Sharing Rights"** means "*Genussscheine*" within the meaning of art. 774a CO.
- (o) **"Pledge"** means a pledge pursuant to Art. 899 et seq. of the Swiss Civil Code over the Pledged Assets in accordance with the terms of this Agreement.
- (p) **"Pledgees"** means the Collateral Agent and all other existing Secured Parties, as well as any future Secured Party which becomes a Pledgee pursuant to Clause 11(a), but excluding any person which pursuant to Clause 11(a) has ceased to be a Pledgee.
- (q) **"Pledged Assets"** means the Shares, Dividends and Related Assets or any other security or asset that is or will be pledged to the Pledgees under this Agreement.
- (r) **"Related Assets"** means, except for Dividends, all monies payable in respect of the Shares and all other rights, benefits and proceeds in respect of or derived from the Shares (whether by way of redemption, subscription rights, bonus shares, preference, option, substitution, conversion or otherwise).
- (s) **"Secured Obligations"** means the Secured Obligations as defined in the Security Agreement, including (without limitation) the Parallel Debt and the Obligations (as defined in the Credit Agreement) including the Obligations of the Loan Parties now or hereafter existing under the Loan Documents, any Secured Cash Management Agreement or any Secured Hedge Agreement (as such Loan Documents, Secured Cash Management Agreements and/or Secured Hedge Agreements may be amended, amended and restated, supplemented, replaced, refinanced or otherwise modified from time to time (including any increases of the principal amount outstanding thereunder)), whether direct or indirect, absolute or contingent, and whether for principal, reimbursement obligations, interest, fees, premiums, penalties, indemnifications, contract causes of action, costs, expenses or otherwise (all such capitalised terms as defined in the Credit Agreement).
- (t) **"Secured Parties"** has the meaning given to it in the Credit Agreement.
- (u) **"Security"** means a mortgage, land charge, charge, pledge, lien, assignment or transfer for security purposes, retention of title arrangement or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
- (v) **"Shares"** means:
  - (i) all currently existing shares (*Stammanteile*) and Profit-Sharing Rights in the Company, including those as set forth in Annex 1 (showing the Pledgor's contribution (*Stammeinlage*) to the company capital (*Stammkapital*))



and the portion of the participation in the Company's company capital of the Pledgor), and

- (ii) all shares (*Stammanteile*), Profit-Sharing Rights or other interests whatsoever which may substitute the shares (*Stammanteile*) or Profit-Sharing Rights defined in (i) whether by operation of law or otherwise now or hereafter, and
- (iii) any further shares (*Stammanteile*), Profit-Sharing Rights or other rights and interest in the Company that will be issued to the Pledgor by the Company or otherwise be acquired by the Pledgor after the date hereof.

## **1.2. Interpretation**

- (a) references to any person include a reference to any individual, firm, company, corporation or other body, government, state or agency of a state, association, trust, or partnership, (whether or not having separate legal personality), as well as to any of its successors, permitted assignees and transferees;
- (b) references to a "Loan Document" or any other agreement, instrument or document are references to that Loan Document or other agreement, instrument or document as amended, amended and restated, novated, supplemented, extended, refinanced, replaced or otherwise modified from time to time (in each case, however fundamental), from time to time, in accordance with its terms;
- (c) references to Clauses and Annexes are references to, respectively, clauses of and annexes to this Agreement;
- (d) "including" means "including without limitation", not limiting the term(s) to which the word relates to the example(s) thereafter mentioned; and
- (e) unless the context requires otherwise, references herein to the Collateral Agent shall be read as references to the Collateral Agent acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees.

## **2. PLEDGE AND PLEDGORS' OBLIGATIONS**

### **2.1. Undertaking to Pledge**

The Pledgor agrees (i) to pledge to the Collateral Agent and the other Pledgees, as a first ranking Security, all Shares now or hereafter owned by it, together with all Dividends and (to the extent legally permitted) Related Assets as continuing Security for the Secured Obligations and, therefore, (ii) to effect this Pledge on the date hereof.

## 2.2. Effecting of the Pledge

For the purposes of effecting the Pledge under Clause 2.1, the Pledgor hereby pledges, all its Shares, Dividends and (to the extent legally permitted) Related Assets, as a first ranking Security, free and clear of any Security in favour of third parties, to the Collateral Agent and the other Pledgees.

## 2.3. Deposit of the Share Certificates and certain Related Assets

- (a) The Pledgor has informed the Collateral Agent that the original share certificate representing the shares (*Stammanteile*) existing on the date hereof is lost or destroyed. The Pledgor undertakes (i) to promptly initiate an invalidation proceeding regarding the original share certificate (*Kraftloserklärungsverfahren*) with the competent Swiss court (the "**Cancellation of Share Certificate**") and (ii) to use its best efforts that such invalidation proceeding (*Kraftloserklärungsverfahren*) can be completed as soon as reasonably practicable within one year from the date of this Agreement. As soon as reasonably practicable, and in any event within 15 Business Days after the competent court has declared the existing share certificate invalid or such later date as the Collateral Agent may agree, the Pledgor shall cause the Company to issue a new share certificate (in the form of a registered share certificate (*Namenpapier*)) representing the shares (*Stammanteile*) existing on the date hereof (the "**Issuance of Share Certificate**", and together with the Cancellation of Share Certificate, the "**Cancellation and Issuance of Share Certificate**") and deposit (or cause to be deposited) with the Collateral Agent such new share certificate duly assigned in blank by the Pledgor in accordance with art. 901 para. 2 of the Swiss Civil Code. If the Pledgor finds the lost share certificate before it is being invalidated by way of the judicial invalidation proceeding (*Kraftloserklärungsverfahren*), the Pledgor shall immediately deposit (or cause to be deposited) with the Collateral Agent such existing share certificate duly assigned in blank by the Pledgor and arrange for the judicial invalidation (*Kraftloserklärungsverfahren*) proceeding to be terminated.
- (b) The Pledgor shall, immediately upon the accrual, offer or issue and after receipt by the Pledgor of any Related Assets (in the form of shares (*Stammanteile*), warrants, Profit-Sharing Rights or other securities) or Shares to which the Pledgor is or will be entitled, procure the delivery to the Collateral Agent of all certificates (if any) and other documents representing or evidencing such Shares or Related Assets in the Company (in the case of registered share certificates (*Namenpapiere*) duly assigned in blank by the Pledgor in accordance with art. 901 para. 2 of the Swiss Civil Code).

## 2.4. Shareholders' Resolution; Board Resolution; Entry in the Shareholders' Register

The Pledgor and the Company undertake to deliver (or procure the delivery) to the Collateral Agent:

- (a) on the date of this Agreement, a resolution passed by the shareholders' meeting (*Gesellschafterversammlung*) of the Company, at which all of the Company's

share capital was represented, and by which (i) the Pledge of the Shares in the Company by the Pledgor is unanimously approved and (ii) it is resolved that the transfer of the Shares in the Company to an acquirer in the course of Enforcement of the Pledge is approved in advance;

- (b) on the date of this Agreement, a resolution passed by the Company's management boards by which (i) the Pledge of the Shares in the Company by the Pledgor is acknowledged and agreed, (ii) the Pledge is entered into the shareholders' register (*Anteilbuch*) of the Company in favour of the Collateral Agent and the other Pledgees and (iii) the registration in the Company's shareholders' register (*Anteilbuch*) of any possible acquirer of the Shares upon Enforcement of the Pledge, is acknowledged and approved;
- (c) on the date of this Agreement, a copy of the shareholders' register (*Anteilbuch*) of the Company signed by authorised members of the management board on the date of this Agreement and evidencing the registration of the Collateral Agent and the other Pledgees as pledgees of the Shares pursuant to this Agreement; and
- (d) within 5 Business Days following the issuance of new Shares by the Company, an up-to-date copy of the shareholders' register (*Anteilbuch*) of the Company, signed by its authorised members of the management board, and evidencing the registration of the Collateral Agent and the other Pledgees as pledgees of the new Shares pursuant to this Agreement.

### **3. DIVIDENDS AND RELATED ASSETS**

Until the occurrence of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor), the Pledgor shall be entitled to receive and retain all Dividends and Related Assets (other than those referred to in Clause 2.3(b) to the extent any such Pledged Assets must be delivered to the Collateral Agent in accordance with Clause 2.3(b), in which case the applicable Pledgor shall nevertheless retain all rights and benefits associated with such Pledged Assets in accordance with this Agreement) and apply such assets in any manner not prohibited by the Loan Documents. Following the occurrence of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor), the Collateral Agent shall be entitled to receive and retain all Dividends and Related Assets.

### **4. VOTING RIGHTS**

- (a) Until the occurrence of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor), the Pledgor shall be entitled to exercise all voting rights in relation to the Shares where:
  - (i) it does so for a purpose not inconsistent with any of the Loan Documents; and

- (ii) the exercise or failure to exercise the voting rights would not have an adverse effect on the validity or enforceability of the security interest expressed to be created hereunder and not have an adverse effect on the value of the Pledged Assets and would not otherwise adversely prejudice the interests of the Collateral Agent or any other Pledgee under any of the Loan Documents.
- (b) Upon and at any time following the occurrence of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor), the Collateral Agent shall be entitled, at its discretion, to exercise any rights attached to the Shares and to vote the Shares in any way whatsoever wherefore the Collateral Agent is hereby given a power of attorney, with the right of substitution, by the Pledgor to exercise such rights and vote. The Parties are in agreement that this Agreement shall constitute a power of attorney from the Pledgor in favour of the Collateral Agent to exercise the participation and voting rights of the Pledgor upon and following the occurrence of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor). The Pledgor undertakes to issue at any time a power of attorney to such effect in a separate document upon request of the Collateral Agent.

## **5. FURTHER UNDERTAKINGS OF THE PLEDGOR**

- (a) The Pledgor shall, to the extent consistent with the scope of the Security and perfection requirements contemplated by this Agreement, at its own expense promptly execute and deliver all further instruments and documents, and take all further action, that the Collateral Agent may request if necessary to perfect, protect, maintain the Security created or expressed to be created under this Agreement and/or to enforce the exercise of the Collateral Agent's and any other Pledgee's Collateral Rights, including an Enforcement.
- (b) The Pledgor undertakes, to the extent consistent with the scope of the Security and perfection requirements contemplated by this Agreement, at its own expense, to enter into and procure the perfection of additional pledge agreements and perform any other action, if and to the extent that a Pledge of certain Related Assets requires as a matter of law, the execution and perfection of a specific pledge agreement and/or any other action for such certain Related Assets.
- (c) Except as not prohibited by the Loan Documents, the Pledgor shall not:
  - (i) do, or permit to be done, anything which would prejudice the priority, ranking or legality, validity and enforceability of the Security created or expressed to be created pursuant to this Agreement;
  - (ii) enter into any legal instrument relating to, or grant any Security over, or dispose of, or assign its Pledged Assets or take any other action that would jeopardise any rights of the Pledgees under the Pledge, or would jeopardise the Enforcement or value of its Pledged Assets;

- (iii) vote in favour of any resolution as regards the Company whereby:
  - (1) a Company's stated capital (*Stammkapital*) would be reduced or increased;
  - (2) the transferability of Shares or Related Assets is restricted;
  - (3) the articles of association of the Company are amended to (A) impose contribution obligations (*Nachschusspflichten*) and/or ancillary obligations (*Nebenleistungspflichten*) on the Company's shareholders, (B) create pre-emptive rights (*Vorkaufsrechte*), rights of first refusal (*Vorhandrechte*) and/or purchase rights (*Kaufrechte*) in relation to the Shares, (C) impose a non-competition clause on the shareholders of the Company and/or (D) to impose penalty payments on shareholders for securing compliance with legal and statutory obligations (*Konventionalstrafen zur Sicherung der Erfüllung gesetzlicher oder statutarischer Pflichten*);
  - (4) voting proxies may only be granted to holders of Shares;
  - (5) the Company's current corporate purpose provision would be amended;
  - (6) Shares in the Company, Related Assets or Dividends are issued or distributed to any third party;
  - (7) such resolution would violate, or be inconsistent with any term of this Agreement, any of the Loan Documents or any agreement referred to therein.
- (d) The Pledgor shall take all actions to ensure that no book-entry securities (*Bucheffekten*) pursuant to the Swiss Federal Act on Book Entry Securities (*Bucheffektengesetz*) ("**BEG**") are created with respect to the Shares.
- (e) The Pledgor shall promptly notify the Collateral Agent of any occurrence which is likely to prejudice the Security created over the Pledged Assets in order to ensure that the value and validity of the Security interest created in accordance with this Agreement is maintained.

## 6. ENFORCEMENT

- (a) After the occurrence and during the continuation of an Enforcement Event which is continuing (for which an Enforcement Notice was provided to the Pledgor), the Collateral Agent shall be entitled (but not obliged), at its full discretion to:
  - (i) effect Enforcement by either (1) private realisation (*Private Verwertung*, including, self-sale (*Selbsteintritt*)) of Pledged Assets or (2) any applicable

official enforcement procedure, including as the case may be, Swiss enforcement proceedings pursuant to the Swiss Federal Statute on Debt Collection and Bankruptcy under the exclusion of Art. 41(1<sup>bis</sup>) of the Swiss Federal Statute on Debt Collection and Bankruptcy (waiver of the *beneficium excussionis realis*) and the parties hereto agree in advance that a "Freihandverkauf" shall be admissible; and

- (ii) act as Collateral Agent contracting in its own name and in the name of the Pledgees and on its and their accounts or for the account of third persons in private or official Enforcement; and
  - (iii) apply all Dividends and other monies arising from the Shares or Related Assets as though they were the proceeds of sale under this Agreement; and
  - (iv) (A) notify, or request the Pledgor to notify (who hereby undertakes to do so), the Company of the transfer of the Shares and (B) request, or request the Pledgor to cause, the Company to register any acquirer of the Shares in the course of enforcement of the Pledges in the shareholders' register (*Anteilbuch*) as shareholder (*Gesellschafter*) with respect to the Shares.
- (b) Failure by the Collateral Agent or by any other Pledgee to sell Pledged Assets or to exercise any right or remedy including the acceptance of partial or delinquent payments shall not result in any liability of the Collateral Agent or any other Pledgee and shall not prejudice any of the rights the Collateral Agent or any other Pledgee may have under this Agreement or any other of the Loan Documents nor be a waiver of any obligation of a Pledgor hereunder and/or thereunder.
- (c) Notwithstanding previous sales or transfers of Pledged Assets without formality or notice, the Collateral Agent and the Pledgees retain the right at all times to take any measure they deem necessary or appropriate in accordance with the Swiss Federal Statute on Debt Collection and Bankruptcy or any other applicable foreign debt collection or bankruptcy laws.

## **7. ALLOCATION; APPLICATION OF PROCEEDS**

- (a) The Collateral Agent shall be entitled to allocate at any time prior to or on or during the continuance of an Enforcement Event the Security granted hereby proportionally to the respective interests of each of the Pledgees and notify each Pledgor of such allocation in the name and on behalf of any of the Pledgees.
- (b) Any proceeds received hereunder by the Collateral Agent, after the security hereby constituted shall have become enforceable, in particular any proceeds received under Clause 6, shall be applied in accordance with the Credit Agreement.

## **8. CONTINUING SECURITY; EFFECTIVENESS OF COLLATERAL**

- (a) This Pledge constitutes a continuing Security until released or discharged in accordance with Clause 9. The Security granted hereunder shall be cumulative, in addition to and independent of every other Security which the Collateral Agent or any other Pledgee may at any time hold for the Secured Obligations or any rights, powers and remedies provided by law. The Security expressed to be created under this Agreement shall not be affected in any way by any variation, amendment, amendment and restatement, novation, transfer (including by way of novation or debt assumption (*Schuldübernahme*)), extension, compromise or release of any or all of the Secured Obligations or the Loan Documents or of any other security interest from time to time.
- (b) Until release of the Pledged Assets pursuant to Clause 9(a) and unless the Collateral Agent otherwise directs, the Pledgor will not exercise any rights which it may have upon and during the continuance of an Enforcement Event (i) to be indemnified by any Loan Party, (ii) to claim any contribution from any guarantor of the obligations of any Loan Party under the Loan Documents and/or (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Collateral Agent or any other Pledgee under the Loan Documents or of any other guarantee or security taken pursuant to, or in connection with the Loan Documents by any of them.

## **9. RELEASE OF THE PLEDGED ASSETS**

- (a) Subject to reinstatement rights pursuant to Clause 9(d), upon the termination of the Aggregate Commitments and the payment in full in cash of the Secured Obligations (other than (A) contingent indemnification obligations as to which no claim has been asserted and (B) obligations and liabilities under Secured Cash Management Agreements and Secured Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank shall have been made) and the termination or expiration of all Letters of Credit (other than Letters of Credit which have been Cash Collateralized), the security interests granted hereby shall automatically terminate.
- (b) Upon discharge pursuant to the foregoing Clause 9(a), the Security created pursuant to this Agreement shall terminate and the Pledged Assets then remaining and not previously applied against the Secured Obligations held by the Collateral Agent (or any other Pledgee under this Agreement) shall be released and returned by the Collateral Agent (or such other Pledgee, as the case may be) to the Pledgor, net of any transfer taxes or other expenses in connection with such return or release. Following the termination of any Security granted hereunder, the Collateral Agent will, at the Pledgor's expense, execute and deliver to the Pledgor such documents as the Pledgor shall reasonably request to evidence such termination.
- (c) The Collateral Agent and the other Pledgees will not make or shall not be deemed to have made any representation or warranty, whether express or implied, with

respect to any Pledged Assets so delivered, except that any such Pledged Assets shall be delivered to the Pledgor free and clear of any encumbrance or other third party right granted by the Collateral Agent.

- (d) If any payment by a Loan Party in respect of Secured Obligations, whereupon the Collateral Agent or any other Pledgee discharged the Security (or any part thereof) created pursuant to this Agreement, is avoided or reduced as a result of insolvency or any similar event:
  - (i) this Agreement, the liability of the Pledgor and the Security expressed to be created under this Agreement shall be reinstated and continue as if the payment, discharge, avoidance or reduction had not occurred; and
  - (ii) the Pledgor shall return and deliver (as the case may be) to the Collateral Agent (acting for itself and each other Pledgee) any Pledged Assets, including, for the avoidance of doubt, any proceeds from the disposal of and any other substitutes for the Pledged Assets, as if the repayment, discharge, avoidance or reduction had not occurred.

## **10. REPRESENTATIONS AND WARRANTIES**

The Pledgor represents and warrants to the Collateral Agent and each other Pledgee that:

- (a) It is the sole legal and beneficial owner of the Pledged Assets and the Pledged Assets are and will continue to be free and clear of any Security (except as created under this Agreement or as permitted by the Loan Documents) and/or any restriction on the ability to encumber, transfer or realise all or any part of the Pledged Assets, save for the restrictions provided for by mandatory law and except as expressly permitted under the Loan Documents.
- (b) It has not assigned, transferred, sold or otherwise disposed of, and will not assign, transfer, sell or otherwise dispose of, the benefit of all or any of its rights, title and interest in the Pledged Assets, in each case, other than as permitted by the Loan Documents.
- (c) The Shares are fully paid up and the Shares owned by the Pledgor together comprise the entire issued share capital of the Company.
- (d) Save for the uncertainties with regard to the existence of the share certificate, Annex 1 is accurate, correct, complete and up-to-date.
- (e) No book-entry securities (*Bucheffekten*) pursuant to the BEG exist with respect to the Shares.
- (f) It has the necessary power to enable it to enter into and perform its obligations under this Agreement and all consents, approvals and authorisations have been



obtained and, if necessary, shareholders' resolutions passed to make the Pledge valid, binding and enforceable in accordance with the terms of this Agreement.

- (g) No approval is required under the Lex Koller to grant a valid, binding and legally enforceable Pledge to the Collateral Agent and the other Pledgees and all other necessary governmental and other consents, approvals, licenses and authorisations to enable it to enter into this Agreement have been obtained and are, and will remain, in full force and effect.
- (h) There are no agreements between it and any third party relating to its Pledged Assets that could negatively affect its obligations or the rights of the Collateral Agent or any other Pledgee under this Agreement or the Enforcement or the proceeds or Enforcement of its Pledged Assets, other than as permitted by the Loan Documents and except to the extent that such negative effect could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
- (i) This Agreement constitutes legal and valid obligations binding upon it and, subject to the Cancellation and Issuance of Share Certificate and delivery thereof to the Collateral Agent, is an effective first ranking Security over the Pledged Assets.
- (j) No pending shareholders' resolution with respect to the Company will be implemented nor will a shareholders' meeting for the Company be held or called for in which resolutions are proposed to be passed, that could negatively affect the Pledged Assets or any other right of the Collateral Agent or the other Pledgees under this Agreement.
- (k) The resolutions and corporate documents delivered in accordance with Clause 2.4 relating to it are correct, complete and in full force and effect as at the date hereof.

The representations and warranties set out in this Clause 10 are made on date hereof and, thereafter, are deemed to be repeated on each date when representations and warranties are repeated under another Loan Document.

## **11. ADDITIONAL PLEDGEES; POWERS OF ATTORNEY**

- (a) The Pledgor acknowledges and agrees that the Collateral Agent is entering into this Agreement acting for itself (including in its capacity as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees and that for such purpose upon assignment or transfer of all or any part of the Secured Obligations to a new Secured Party such new Secured Party shall automatically become a Pledgee hereunder and any Secured Party which has ceased to be a Secured Party shall automatically cease to be a Pledgee hereunder. The Pledgor further acknowledges and agrees that any person appointed as the Collateral Agent's delegate or successor in accordance with the Loan Documents shall be a Pledgee hereunder.

- (b) If the Pledgor fails to perform any action contained herein after the expiration or termination of any applicable cure or grace periods, the Collateral Agent may, after providing notice to the Pledgor of its intent to do so, but without any obligation to do so, itself perform, or cause performance of, such action, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by the Pledgor. The Pledgor hereby appoints and authorises the Collateral Agent to be its attorney and in its name and for its account to execute, deliver and perfect all documents (including to transfer Shares to an acquirer) and do all things that the Collateral Agent may:
  - (i) consider to be useful for carrying out any obligation imposed on the Pledgor under this Agreement or exercising any of the rights conferred on the Collateral Agent or the Pledgees by this Agreement or by law; or
  - (ii) consider to be useful for carrying out any obligation imposed on the Pledgor under this Agreement or exercising any of the rights conferred on the Collateral Agent or the Pledgees by this Agreement or by law in connection with the enforcement of the Security created or expressed to be created under this Agreement or, in particular a private realisation (private Verwertung, including, without limitation, self-sale (*Selbsteintritt*)),

provided that as long as no Enforcement Event has occurred which is continuing and for which the Collateral Agent has provided notice to the Pledgor, the Collateral Agent agrees not to take any such step unless the Collateral Agent has provided notice of such step to the Pledgor and would have the right under this Agreement to request the Pledgor to take such step and the Pledgor is unable or has failed to take such step within five (5) Business Days, or such shorter period as may be reasonably necessary to safeguard the Collateral Agent's and the other Pledgees interests.

## **12. NO ASSIGNMENT OR TRANSFER BY THE PLEDGOR**

The rights and obligations of the Pledgor under this Agreement may not be assigned or transferred without the prior written consent of the Collateral Agent.

## **13. SUCCESSOR COLLATERAL AGENT**

If a successor of the Collateral Agent is appointed pursuant to the Loan Documents, the Collateral Agent may assign and transfer all of its rights and obligations hereunder to his successor as Pledgee and Collateral Agent hereunder (*Parteiwechsel/Vertragsübernahme*) without further consent of the Pledgor. The Pledgor herewith irrevocably and unconditionally agrees in advance to such transfer and assignment (*Parteiwechsel/Vertragsübernahme*) and to recognise any such successor Collateral Agent as new Collateral Agent and Pledgee in substitution of the retiring Collateral Agent and Pledgee, and to do all acts (at its own cost and expense) necessary or useful (acting reasonably) for the successor Collateral Agent and Pledgee to be recognised by third parties as new Collateral Agent and Pledgee hereunder (including countersigning the written agreement of assignment and transfer).

#### 14. EXCULPATION; INDEMNITY

- (a) Neither the Collateral Agent nor any other Pledgee shall be liable by reason of (i) taking any action permitted by this Agreement or (ii) any neglect or default in connection with the Pledged Assets or (iii) the enforcement of all or any part of the Pledged Assets, except in the case of proven own willful misconduct (*Absicht*) or gross negligence (*grobe Fahrlässigkeit*) on the part of the Collateral Agent or any other Pledgee.
- (b) The parties hereto agree that the Collateral Agent and each other Pledgee shall be entitled to the benefits of, and the Pledgor shall, jointly and severally with the other Loan Parties, have the indemnification obligations described in section 10.05 of the Credit Agreement.

#### 15. WAIVERS AND AMENDMENTS

- (a) No failure on the part of the Collateral Agent or any other Pledgee to exercise, or delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of a Collateral Right preclude any further or other exercise of that or any other Collateral Right.
- (b) Any amendment or waiver of this Agreement or any provision of this Agreement (including this Clause) shall only be binding if agreed in writing by the parties hereto.

#### 16. NOTICES

Notices under this Agreement shall be in writing and be sent to the following addresses:

If to the **Collateral Agent**:

Barclays Bank PLC  
745 Seventh Avenue  
New York, NY 10019  
USA  
Attention: Robert Walsh

If to the **Pledgor**:

Axalta Coating Systems UK Limited  
Unit 1 Quadrant Park, Mundells, Welwyn Garden City, Hertfordshire, AL7 1FS  
England, United Kingdom  
Attention: Ian Blenkinsopp

or to such other address notified in accordance with this provision.

## **17. EXPENSES**

Without limiting the rights of the Pledgees under the Loan Documents, the Pledgor shall pay to the Collateral Agent or any other Pledgee all reasonable costs and expenses (including legal fees and together with any applicable VAT) incurred by such person and its counsel in connection with the taking, holding, performing of obligations, or the taking, holding, performing of obligations, enforcement or preservation of any rights under this Agreement, this Security and any proceedings instituted by or against such person as a consequence of taking or holding this Security or enforcing these rights (but excluding any costs and expenses arising as a result of that person's gross negligence or willful misconduct).

## **18. INTERCREDITOR AGREEMENT**

Notwithstanding any provision to the contrary in this Agreement, if any intercreditor agreement is entered into in accordance with section 9.11 of the Credit Agreement, in the event of any conflict or inconsistency between the provisions of such intercreditor agreement and this Agreement, the provisions of such intercreditor agreement shall prevail.

## **19. BAIL-IN**

### **19.1. Contractual recognition of bail-in**

Notwithstanding any other term of any Loan Document or any other agreement, arrangement or understanding between the parties hereto, each party acknowledges and accepts that any liability of any party to any other party under or in connection with the Loan Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of any Bail-In Action in relation to any such liability, including (without limitation):

- (a) a reduction in full or in part or cancellation of any such liability;
- (b) 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 the Credit Agreement; or
- (c) 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.

### **19.2. Bail-In definitions**

In this Clause 19:

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

**"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).

**"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 member state of the European Union, Iceland, Liechtenstein and Norway.

**"EEA Resolution Authority"** means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

**"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.

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

**"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.

**"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.

## **20. SEVERABILITY**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, this shall not affect or impair (i) the validity or enforceability in that jurisdiction of any other provision of this Agreement or (ii) the validity or enforceability in any other jurisdiction of that or any other provision of this Agreement. The illegal, invalid or unenforceable provision shall be replaced by a legal, valid and enforceable provision which approximates as closely as possible to the economic purpose of the illegal, invalid or unenforceable provision. The same shall apply *mutatis mutandis* in case of omissions.

## **21. COUNTERPARTS; EFFECTIVENESS UPON SIGNING**

- (a) This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.
- (b) This Agreement shall become binding and effective on the Pledgor upon signing thereof by the Pledgor irrespective of whether or not the Company has agreed to, and acknowledged, this Agreement.

## **22. LAW AND JURISDICTON**

- (a) This Agreement shall in all respects, including all the rights *in rem* aspects, be governed by, and construed in accordance with, the substantive laws of Switzerland.
- (b) Each party submits to the exclusive jurisdiction of the ordinary courts of the city of Zurich, Switzerland, venue being Zurich 1, with the right to appeal to the Swiss Federal Court (*Schweizerisches Bundesgericht*) in Lausanne as provided by law, whose judgment shall be final, for all purposes relating to this Agreement. The Collateral Agent and each other Pledgee reserve the right to bring an action against the Pledgor at the Pledgor's place of domicile or before any other competent court.

- (c) The Pledgor elects the domicile of the Company as its special domicile pursuant to article 50 paragraph 2 of the Swiss Federal Debt Collection and Bankruptcy Act.

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## Annex 1: Details of Shareholding by Pledgor in the Company

Company	Shareholder of Company / Pledgor	Company's aggregate Company capital (in CHF)	Number of Shares held by Pledgor in Company's share capital	Share Certificates
Axalta Coating Systems GmbH CHE-479.660.345	Axalta Coating Systems UK Limited	CHF 20,000	200	1 <sup>1</sup>

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<sup>1</sup> The Pledgor has disclosed the uncertainties with regard to the existence of share certificate.



## SIGNATURES

For and on behalf of  
**Axalta Coating Systems UK Limited**, as Pledgor



Name: James Ian Blenkinsopp  
Title: Director

**Barclays Bank PLC**, as Pledgee and Collateral Agent acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees

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

Acknowledged and agreed by:

**Axalta Coating Systems GmbH**

\_\_\_\_\_  
Name: Danilo Ricci Osti  
Title: Managing Officer

\_\_\_\_\_  
Name: James Muse  
Title: Managing Officer

**SIGNATURES**

For and on behalf of  
**Axalta Coating Systems UK Limited**, as Pledgor

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

Title:

**Barclays Bank PLC**, as Pledgee and Collateral Agent acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees



Name:

Title:

**Arvind Admal**  
**Vice President**

Acknowledged and agreed by:

**Axalta Coating Systems GmbH**

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

Title:

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

Title:

## SIGNATURES

For and on behalf of  
**Axalta Coating Systems UK Limited**, as Pledgor

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Name: James Ian Blenkinsopp  
Title: Director

**Barclays Bank PLC**, as Pledgee and Collateral Agent acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees

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Name:  
Title:

Acknowledged and agreed by:

**Axalta Coating Systems GmbH**



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Name: Danilo Ricci Osti  
Title: Managing Officer

---

Name: James Muse  
Title: Managing Officer

## SIGNATURES

For and on behalf of  
**Axalta Coating Systems UK Limited**, as Pledgor

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Name: James Ian Blenkinsopp  
Title: Director

**Barclays Bank PLC**, as Pledgee and Collateral Agent acting for itself (including as creditor of the Parallel Debt) and as direct representative (*direkter Stellvertreter*) in the name and for the account of all other Pledgees

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Name:  
Title:

Acknowledged and agreed by:

**Axalta Coating Systems GmbH**

---

Name: Danilo Ricci Osti  
Title: Managing Officer



Name: James Muse  
Title: Managing Officer