



Registration of a Charge

Company name: **CENTRALNIC GROUP PLC**

Company number: **08576358**



X8YI5ZI1

Received for Electronic Filing: **10/02/2020**

Details of Charge

Date of creation: **06/02/2020**

Charge code: **0857 6358 0019**

Persons entitled: **NORDIC TRUSTEE AS**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

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:

CLEOPATRA SOTIROPOULOU



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8576358

Charge code: 0857 6358 0019

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th February 2020 and created by CENTRALNIC GROUP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th February 2020 .

Given at Companies House, Cardiff on 11th February 2020

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**

SHARE PLEDGE AGREEMENT

made by

CENTRALNIC GROUP PLC

in favour of

NORDIC TRUSTEE AS, as Security Agent

dated as of

February 6, 2020

I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO
S. 859G OF THE COMPANIES ACT 2006, THIS COPY INSTRUMENT
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT



NIKHIL DATTA
Certified True Copy

SOLICITOR

FEBRUARY 4, 2020

WIKBORG REIN LLP
30 Cannon Street
London
EC4M 6XH
United Kingdom

LEON 49620853.6

This **SHARE PLEDGE AGREEMENT**, dated as of February 6, 2020 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by CentralNic Group PLC, a company incorporated under the laws of England and Wales (the "**Pledgor**"), in favour of Nordic Trustee AS, a company existing under the laws of Norway, in its capacity as Security Agent for and on behalf of the Secured Parties (in such capacity, and together with any successors and assigns in such capacity, the "**Agent**").

WHEREAS, the Pledgor is party to certain bond terms, dated July 1, 2019 as may be amended, supplemented, restated, replaced, or otherwise modified from time to time, the "**Bond Terms**"), with Nordic Trustee AS, as bond trustee for and on behalf of the Senior Secured Bondholders (in such capacity, and together with any successors and assigns in such capacity, the "**Bond Trustee**") (, pursuant to which, among other things, the Pledgor has issued, or will issue, Senior Secured Bonds in favour of the Senior Secured Bondholders from time to time.

AND WHEREAS, the Pledgor is party to an intercreditor agreement, dated July 29, 2019, with, among others, Silicon Valley Bank, as Credit Facility Agent, the Bond Trustee, and the Agent (as may be amended, supplemented, restated, replaced, or otherwise modified from time to time, the "**Intercreditor Agreement**"), pursuant to which, among other things, the Creditors have agreed to the priority of their respective Secured Obligations and their respective rights and remedies against the Pledgor and its subsidiaries in the event of enforcement under the Security Documents.

AND WHEREAS, the Pledgor is the registered and beneficial owner of the Collateral.

AND WHEREAS, pursuant to the Bond Terms and the Intercreditor Agreement, the Pledgor has agreed to pledge all of its right, title and interest in the Collateral in favour of the Agent under the terms hereof to secure the payment and performance of all of the Secured Obligations;

AND WHEREAS, it is a condition to the Senior Secured Bondholders continuing to provide loans and other financial accommodations to the Pledgor and its subsidiaries under the Bonds, and the other Secured Parties continuing to provide loans and other financial accommodations to the Pledgor and its subsidiaries under the other Debt Documents, as applicable, that the Pledgor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the Senior Secured Bondholders agreeing to continue to provide loans and other financial accommodations to the Pledgor and its subsidiaries under the Bonds, and the other Secured Parties agreeing to continue to provide loans and other financial accommodations to the Pledgor and its subsidiaries under the other Debt Documents, as applicable, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Pledgor), the Pledgor agrees as follows:

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.01 Definitions.

- (a) Unless otherwise defined herein or in the Intercreditor Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) In this Agreement, unless otherwise defined herein, terms with an initial capital letter shall have the meaning given to them in the Intercreditor Agreement, and the following terms shall have the following meanings:

"Acceleration Event" has the meaning given to such term in the Intercreditor Agreement.

"Additional Bonds" has the meaning given to such term in the Bond Terms.

"Agent" is defined in the preamble hereof.

"Collateral" is defined in Section 2.01.

"Company" means CentralNic Canada Inc., a company amalgamated under the laws of the Province of British Columbia.

"Debt Documents" has the meaning given to such term in the Intercreditor Agreement.

"Equity Interests" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests, participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, **"ownership interests"**), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

"Event of Default" has the meaning given to such term in the Intercreditor Agreement.

"Intercreditor Agreement" is defined in the Recitals to this Agreement.

"Person" means any corporation, company, partnership, association, unincorporated association, entity, trust, joint venture, individual, estate, sole proprietorship, institution, or any governmental entity.

"Pledged Securities" means all of the issued and outstanding Equity Interests of the Company described in Schedule 1 hereto that are now or from time to time hereafter held by the Pledgor.

"Pledgor" is defined in the Preamble to this Agreement.

"PPSA" means the *Personal Property Security Act* (British Columbia) and the regulations made thereunder, each as in effect from time to time.

"Proceeds" means "proceeds" as such term is defined in Section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Pledged Securities, collections thereon or distributions with respect thereto.

"Secured Obligations" has the meaning given to such term in the Intercreditor Agreement.

"**Secured Parties**" has the meaning given to such term in the Intercreditor Agreement.

"**STA**" means the *Securities Transfer Act, 2007* (British Columbia) in effect from time to time.

1.02 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) The Schedules hereto, all descriptions of the Collateral contained in the Schedules and all amendments and supplements thereto are and shall at all times be considered a part of this Agreement.

ARTICLE 2 PLEDGE

2.01 Pledge.

As general and continuing security for the payment and performance of the Secured Obligations, the Pledgor hereby grants, assigns, transfers, pledges, hypothecates, mortgages, sets over and charges to the Agent, for the benefit of the Secured Parties, and hereby grants a continuing security interest in favour of the Agent, for the benefit of the Secured Parties, in and to, all of its right, title and interest in and to the following property, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) the Pledged Securities, all certificates and other instruments and agreements from time to time representing or evidencing the Pledged Securities, together with all claims, rights, privileges, authority and powers of the Pledgor relating to such Pledged Securities, and all income, dividends, interest, distributions, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Securities;
- (b) all additional Equity Interests of the Company from time to time acquired by or issued to the Pledgor and all options, warrants, rights, agreements and additional Equity Interests of whatever class or series of any the Company from time to time acquired by the Pledgor in any manner, together with all claims, rights, privileges, authority and powers of the Pledgor relating to such Equity Interests or under any constating or organizational document of the Company, and the certificates, instruments and agreements representing such Equity Interests, from time to time acquired by the Pledgor in any manner, and all income, dividends, interest, distributions, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Equity Interests;
- (c) all Equity Interests issued in respect of the Equity Interests referred to in Section 2.01(a) or Section 2.01(b) upon any consolidation, amalgamation or merger of the Company or any other issuer of such Equity Interests; and
- (d) all proceeds and products of the foregoing, all books and records relating to the foregoing, all supporting obligations related thereto, and all accessions to,

substitutions and replacements for, and profits and products of, each of the foregoing, and any and all proceeds of any insurance, indemnity, warranty or guarantee payable to the Pledgor from time to time with respect to any of the foregoing.

ARTICLE 3 SECURED OBLIGATIONS

3.01 Secured Obligations.

The Collateral secures the payment and performance of all Secured Obligations, including, without limitation, all present and future obligations of the Pledgor to the Secured Parties from time to time, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Pledgor alone or with another or others and whether as a principal or surety, including without limitation, all present and future obligations of the Pledgor arising in connection with the Bond Terms, the Intercreditor Agreement, this Agreement, or the other Debt Documents, or otherwise with respect to the payment and discharge of (i) the principal of and premium, if any, and interest on the Liabilities, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other present and future obligations and liabilities including fees, costs, lawyers' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.01 Representations and Warranties.

The Pledgor represents and warrants to and in favour of the Secured Parties as follows:

- (a) *The Pledged Securities.* All information set forth in Schedule 1 relating to the Pledged Securities is accurate and complete.
- (b) *Collateral Free and Clear.* The Pledgor is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests, adverse claims and other claims except for the security interests created by this Agreement.
- (c) *Existence, Power and Capacity.* The Pledgor has been duly formed and validly exists under the laws of its jurisdiction of incorporation, has taken all necessary action (corporate or otherwise) to authorize the entry into and performance of its obligations under this Agreement, has the corporate power and has the capacity to pledge the Collateral and to incur and perform its obligations under this Agreement.
- (d) *Binding Obligation.* This Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a valid and legally binding obligation of the Pledgor, enforceable against the Pledgor in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or

other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

- (e) *Valid Security Interest.* The pledge of the Collateral under this Agreement creates a valid security interest in the Collateral, securing the payment and performance when due of the Secured Obligations.
- (f) *No Governmental or Regulatory Approvals.* No authorization, approval, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other entity is required for the pledge by the Pledgor of the Collateral under this Agreement or for the execution and delivery of this Agreement by the Pledgor or the performance by the Pledgor of its obligations thereunder.
- (g) *No Violation.* The execution and delivery of this Agreement by the Pledgor and the performance by the Pledgor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Pledgor or any of its property, or the constating or organizational documents of the Pledgor or any agreement or instrument to which the Pledgor is party or by which it or its property is bound.
- (h) *Pledged Securities Validly Issued.* The Pledged Securities have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights. No Person (other than the Pledgor) has any right to acquire or cause to be issued to them any of the Collateral.
- (i) *Delivery of Certificated Securities.* The Collateral does not include any certificated securities that the Pledgor has not delivered to the Agent. Without limiting the foregoing, all certificates, agreements or instruments representing or evidencing the Pledged Securities in existence on the date hereof have been delivered to the Agent in suitable form for transfer by delivery or accompanied by duly executed instruments of transfer or assignment in blank.
- (j) *Control.* The Pledgor has taken all action required on its part for control (as defined in the PPSA and the STA) to have been obtained by the Agent for and on behalf of the Secured Parties over all Collateral with respect to which such control may be obtained under the PPSA. No Person other than the Agent has control or possession of all or any part of the Collateral.

4.02 Representations and Warranties.

The foregoing representations and warranties shall survive the execution and delivery of this Agreement and shall be deemed to be made by the Pledgor at the following times and with reference to the facts and circumstances then existing:

- (i) at the date of this Agreement;
- (ii) on each date that the Company issues Equity Interests; and
- (iii) at the date of issuance of any Additional Bonds.

ARTICLE 5 COVENANTS

5.01 Covenants of the Pledgor.

The Pledgor covenants and agrees in favour of the Secured Parties as follows:

- (a) *Title and Security Interest.* The Pledgor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Parties therein against the claim of any Person claiming against or through the Pledgor and shall maintain and preserve such security interests as perfected security interests for so long as this Agreement shall remain in effect.
- (b) *No Sale or Encumbrances.* The Pledgor agrees that it will not sell, offer to sell, dispose of, convey, assign, pledge, hypothecate, or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein except as expressly provided for herein, in the Intercreditor Agreement, or otherwise with the prior written consent of the Agent (acting on the instructions of the Secured Parties in accordance with the Intercreditor Agreement).
- (c) *Further Assurances.* The Pledgor agrees that, at any time and from time to time, at the expense of the Pledgor, the Pledgor will promptly execute and deliver all further instruments and documents (including, without limitation, share powers, forms of share transfer, control agreements, entitlement orders, proxies and instruments), obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Agent may request, to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Agent and the Secured Parties to exercise and enforce their rights and remedies hereunder or under any other agreement with respect to any Collateral.
- (d) *Control.*
 - (i) Concurrently with the delivery of this Agreement to the Agent and from time to time on its acquisition of any additional Collateral or upon request of the Agent, the Pledgor shall (A) execute and deliver powers of attorney in blank in form and substance satisfactory to the Agent with respect to the Pledged Securities, (B) deliver security certificates representing the Pledged Securities that are now, or become in future, certificated, and (C) enter into a securities account control agreement with the Agent and any securities intermediary with whom Collateral is maintained.
 - (ii) Without limiting the foregoing, the Pledgor shall, upon demand by the Agent, cause all of the Pledged Securities to be transferred to the Agent, for the benefit of the Secured Parties, or its nominee and cause all certificates issued in respect of Pledged Securities to be registered in the name of the Agent, for the benefit of the Secured Parties, or the name of its nominee and delivered to the Agent.

- (e) *Notice Regarding Change of Name or Place of Business.* The Pledgor will not, without providing at least 30 days' prior written notice to the Agent, change its legal name, jurisdiction of incorporation, the location of its chief executive office, its principal place of business, or its location for the purposes of the PPSA, or amend its constating documents to change the Province or Territory in which its registered office is located. The Pledgor will, prior to any change described in the preceding sentence, take all actions requested by the Agent to maintain the perfection and priority of the Secured Parties' security interest in the Collateral.

ARTICLE 6

DIVIDENDS, VOTING RIGHTS

6.01 Voting Rights.

Unless an Event of Default shall have occurred and be continuing, the Pledgor may, to the extent the Pledgor has such right as a holder of the Collateral, vote and give consents, ratifications and waivers with respect thereto.

6.02 Dividends.

The Pledgor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Pledged Securities.

6.03 Event of Default.

- (a) Upon the occurrence and during the continuance of an Event of Default, all rights of the Pledgor to exercise the voting and other consensual rights it would otherwise be entitled to exercise under Section 6.01 shall immediately cease, and all such rights shall thereupon become vested in the Agent (for the benefit of the Secured Parties), which shall have the sole right to exercise such voting and other consensual rights, and the Pledgor shall, at its sole cost and expense, from time to time execute and deliver to the Agent all such instruments as the Agent may request in order to permit the Agent to exercise the voting and other rights which it may be entitled to exercise under this Section 6.03(a).
- (b) Upon the occurrence and during the continuance of an Event of Default, all rights of the Pledgor to receive distributions which it would otherwise be authorized to receive and retain under Section 6.02 shall immediately cease and all such rights shall thereupon become vested in the Agent (for the benefit of the Secured Parties), which shall have the sole right to receive and hold such distributions as Collateral, and the Pledgor shall, at its sole cost and expense, from time to time execute and deliver to the Agent all such instruments as the Agent may request in order to permit the Agent to receive all distributions which it may be entitled to receive under this Section 6.03(b).

6.04 Distributions Held in Trust.

All distributions which are received by the Pledgor contrary to the provisions of this Article 6 shall be received in trust for the benefit of the Secured Parties, shall be segregated from other funds of the Pledgor and shall immediately be paid over to the Agent as Collateral in the same form as so received (with any necessary endorsement).

ARTICLE 7 POWER OF ATTORNEY

7.01 Power of Attorney.

The Pledgor hereby irrevocably constitutes and appoints the Agent and any officer or employee of the Agent as the Pledgor's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Pledgor and in the name of the Pledgor or otherwise, from time to time, during the continuance of an Event of Default, in the Agent's discretion to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Pledgor representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Pledgor any of the Pledged Securities, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Agent shall not be obligated to and shall have no liability to the Pledgor or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Pledgor hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE 8 REMEDIES

8.01 Remedies.

- (a) If any Acceleration Event shall have occurred and be continuing, the Agent, for and on behalf of the Secured Parties, may, without any other notice to or demand upon the Pledgor, assert all rights and remedies of a secured party under the PPSA or other applicable law, including, without limitation, the right to take possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Collateral or instruct the applicable securities intermediary to sell or deliver all or any portion of the Collateral. If notice before disposition of the Collateral or any portion thereof is necessary under applicable law, written notice mailed to the Pledgor as provided in Section 9.04, 2 days before the date of such disposition shall constitute reasonable notice, but notice given in any other reasonable manner shall be sufficient. So long as the sale of the Collateral is made in a commercially reasonable manner, the Agent may sell such Collateral on such terms and to such purchaser(s) as the Agent in its absolute discretion may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind other than that necessary under applicable law. Without precluding any other methods of sale, the sale of the Collateral or any portion thereof shall have been made in a commercially reasonable manner if conducted in conformity with reasonable commercial practices of creditors disposing of similar property, including, without limitation, on any recognized exchange dealing in such Collateral or by public or private sale. At any sale of the Collateral, if permitted by applicable law, the Agent or any other

Secured Party may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, the Pledgor waives all claims, damages and demands it may acquire against the Agent and the Secured Parties arising out of the exercise of any rights hereunder by any of them. The Pledgor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, the Agent and each Secured Party or any custodian may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. None of the Agent or any other Secured Party nor any custodian shall be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing, nor shall it be under any obligation to take any action whatsoever with regard thereto. The Pledgor agrees that it would not be commercially unreasonable for the Agent or any other Secured Party to dispose of the Collateral or any portion thereof by utilizing internet sites that provide for the auction of assets of the type included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets.

- (b) If any Event of Default shall have occurred and be continuing, all rights of the Pledgor to exercise the voting and other consensual rights it would otherwise be entitled to exercise under Section 6.01 shall immediately cease, and all such rights shall thereupon become vested in the Agent for the benefit of the Secured Parties, which shall have the sole right to exercise such voting and other consensual rights.
- (c) If any Event of Default shall have occurred and be continuing, all rights of the Pledgor to receive the dividends and other distributions which it would otherwise be entitled to receive and retain under Section 6.02 shall immediately cease, and all such rights shall thereupon become vested in the Agent for the benefit of the Secured Parties, which shall have the sole right to receive and hold such dividends and other distributions as Collateral.
- (d) If any Acceleration Event shall have occurred and be continuing, the Agent may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Agent or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this Article 8.
- (e) If any Acceleration Event shall have occurred and be continuing, the Agent may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this Article 8.

- (f) If any Acceleration Event shall have occurred and be continuing, any cash held by the Agent or any other Secured Party as Collateral and all cash proceeds received by the Agent or any other Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by such party to the payment of expenses it has incurred in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Agent and the Secured Parties hereunder, including legal fees, and the balance of such proceeds shall be applied or set off against all or any part of the Secured Obligations as provided in the Intercreditor Agreement. Any surplus of such cash or cash Proceeds held by the Agent or any Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Pledgor or to whomsoever may be lawfully entitled to receive such surplus. The Pledgor shall remain liable for any deficiency if such cash and the cash proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any legal counsel or other party employed by the Agent or any other Secured Party to collect such deficiency.
- (g) If the Agent or any other Secured Party exercises its rights to sell all or any of the Collateral under this Section 8.01, the Pledgor agrees that, upon request of such party, the Pledgor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

8.02 Reasonable Care.

The Agent shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Agent accords its own property, it being understood that the Agent shall not have any responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not the Agent has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Agent of any of the rights and remedies hereunder, shall relieve the Pledgor from the performance of any obligation on the Pledgor's part to be performed or observed in respect of any of the Collateral.

8.03 Expenses and Indemnity.

- (a) The Pledgor hereby agrees to indemnify and hold harmless the Agent, each Secured Party, and each officer, director, employee, contractor and advisor of the Agent and the Secured Parties (each such Person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel), incurred by the Indemnified Party or asserted against any Indemnified Party by any Person (including the Pledgor) other than such Indemnified Party and its officers, directors, employees, contractors and advisors, arising out of, in connection with or resulting from this Agreement (including, without limitation, enforcement of this Agreement), whether brought by a third party or by the Pledgor, and regardless of whether any Indemnified Party is a party thereto; provided that such indemnity shall not, as to

any Indemnified Party, be available to the extent that such losses, claims, damages, liabilities or related expenses (i) are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnified Party, or (ii) result from a claim brought by the Pledgor against an Indemnified Party for breach in bad faith of such Indemnified Party's obligations hereunder, if such Pledgor has obtained a final and non-appealable judgment in its favour on such claim as determined by a court of competent jurisdiction.

- (b) To the fullest extent permitted by applicable law, the Pledgor hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any agreement or instrument contemplated hereby, and/or the transactions contemplated hereby. No Indemnified Party shall be liable for any damages arising from the use of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the transactions contemplated hereby by unintended recipients.
- (c) The Pledgor agrees to pay or reimburse the Agent and the Secured Parties for all costs and expenses incurred in collecting its Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement, including the fees and other charges of counsel (including the allocated fees and expenses of internal counsel) to the Agent and the Secured Parties.
- (d) All amounts due under this Section 8.03 shall be payable promptly after demand therefor, shall constitute Secured Obligations and shall bear interest until paid at a rate per annum equal to the highest rate per annum at which interest would then be payable on any past due amounts owing under the Debt Documents.
- (e) Without prejudice to the survival of any other agreement of the Pledgor under this Agreement, the agreements and obligations of the Pledgor contained in this Section 8.03 shall survive termination of the Intercreditor Agreement and the Debt Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement.

ARTICLE 9 MISCELLANEOUS

9.01 Agent May Perform.

If the Pledgor fails to perform any obligation contained in this Agreement, the Agent may itself perform, or cause performance of, such obligation, and the expenses of the Agent incurred in connection therewith shall be payable by the Pledgor; provided that the Agent shall not be required to perform or discharge any obligation of the Pledgor.

9.02 No Waiver and Cumulative Remedies.

The Agent and the Secured Parties shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced to any default,

or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

9.03 Amendments.

None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Pledgor therefrom shall be effective unless the same shall be in writing and signed by the Agent and the Pledgor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

9.04 Notices.

All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Intercreditor Agreement.

9.05 Continuing Security Interest; Successors and Assigns.

This Agreement shall create a continuing security interest in the Collateral and shall remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Pledgor, its successors and assigns, and (c) enure to the benefit of the Agent and the Secured Parties and their respective successors, transferees and assigns; provided that the Pledgor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Agent. Subject to the Intercreditor Agreement, the Agent and each other Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Pledgor.

9.06 Attachment of Security Interest.

The Pledgor acknowledges that value has been given, that the Pledgor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Pledgor acknowledges that any security interest in this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Pledgor acquires rights in such after-acquired Collateral.

9.07 Severability.

Any provision hereof which is invalid, illegal or unenforceable in whole or in part in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating the remaining provisions hereof or affecting the validity, legality or enforceability of such provision in any other jurisdiction.

9.08 Governing Law; Jurisdiction.

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein and the Pledgor irrevocably attorns and agrees to submit to the non-exclusive jurisdiction of the courts of the Province of British Columbia.

9.09 Counterparts; Electronic Delivery.

This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an

executed counterpart of a signature page to this Agreement and any amendments, waivers, consents, or supplements hereto by facsimile or in electronic format (such as "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement or any amendments, waivers, consents, or supplements hereto, as applicable.

9.10 Copy of Verification Statement.

To the extent permitted by law, the Pledgor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement in connection with any registrations or filings made under the PPSA or under any similar or corresponding legislation in any other jurisdiction.

9.11 Intercreditor Agreement.

This Agreement is subject to the terms of the Bond Terms and the Intercreditor Agreement. In the event of any conflict or inconsistency between this Agreement and the Bond Terms, the applicable terms of the Bond Terms shall govern, provided that, notwithstanding the foregoing, in the event of any conflict or inconsistency between this Agreement and the Bond Terms, on the one hand, and the Intercreditor Agreement, on the other hand, the applicable terms of the Intercreditor Agreement shall govern.

9.12 Copy of Agreement.

The Pledgor acknowledges receipt of a fully executed copy of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Pledgor has executed this Agreement as of the date first above written.

CENTRALNIC GROUP PLC

By: 

Name: DON BALADASAN

Title: GROUP MANAGING DIRECTOR

SCHEDULE 1
PLEDGED SECURITIES

Company	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
CentralNic Canada Inc.	Common shares without par value	C-2	100