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 EXHIBIT 10.26  
  
  
 GENENCOR INTERNATIONAL, INC.  
  
 PLEDGE AGREEMENT  
  
 THIS PLEDGE AGREEMENT is made and entered into as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_,  
2000 by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the "Pledgor"), in favor of Genencor  
International, Inc. (the "Secured Party").  
  
 RECITALS  
  
 A. The Pledgor and the Secured Party have entered into that certain  
Genencor International, Inc. Secured Promissory Note, dated as of  
\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2000 (as amended, modified and supplemented to date, the  
"Promissory Note"). All capitalized terms used herein which are not otherwise  
defined herein shall have the meanings ascribed to them in the Promissory Note.  
  
 B. The Pledgor is the owner of \_\_\_\_\_\_\_\_\_\_\_ shares of common stock (the  
"Pledged Stock") of the Secured Party.  
  
 C. As a condition to advancing funds to the Pledgor under the Promissory  
Note, the Secured Party has required that the Pledgor grant to the Secured Party  
a security interest in the Pledged Stock as security for the obligations of the  
Pledgor under the Promissory Note and any documents executed in connection  
therewith (collectively, the "Loan Documents").  
  
 AGREEMENT  
  
 NOW, THEREFORE, in consideration of the premises and in order to  
induce the Secured Party to advance funds to the Pledgor, the Pledgor hereby  
agrees with the Secured Party and grants as follows:  
  
 1. PLEDGE. The Pledgor hereby pledges and grants to the Secured  
Party a security interest in the following collateral (the "Pledged  
Collateral"):  
  
 (a) the Pledged Stock and the certificates representing  
 the Pledged Stock, and all dividends, cash, instruments, chattel paper  
 and other rights, 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 Stock; and  
  
 (b) all proceeds of the foregoing.  
  
 2. SECURITY FOR PERFORMANCE. This Pledge Agreement (and all of  
the Pledged Collateral) secures the payment of the principal of and the interest  
on the advances made under the Promissory Note and the performance of the  
Pledgor's obligations pursuant to this Agreement and the other Loan Documents  
(the "Obligations").  
  
 3. DELIVERY OF PLEDGED COLLATERAL. All certificates or  
instruments representing or evidencing the Pledged Collateral shall be delivered  
to and held by the Secured Party pursuant  
  
  
  
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hereto and shall be accompanied by duly executed instruments of transfer or  
assignment in blank, all in form and substance satisfactory to the Secured  
Party. The Secured Party shall have the right, at any time in its discretion and  
without notice to Pledgor following the occurrence of an Event of Default, to  
transfer to or to register in the name of the Secured Party or any of its  
nominees any or all of the Pledged Collateral. In addition, the Secured Party  
shall have the right at any time to exchange certificates or instruments  
representing or evidencing Pledged Collateral for certificates or instruments of  
smaller or larger denominations.  
  
 4. REPRESENTATIONS AND WARRANTIES. Pledgor represents and  
warrants as follows:  
  
 (a) The delivery of the Pledged Stock to the Secured  
 Party pursuant to this Pledge Agreement creates a valid and perfected  
 first priority security interest in the Pledged Collateral (other than  
 cash not in the possession of the Secured Party), securing the payment  
 of the principle of and the interest on advances made under the  
 Promissory Note and the performance of Pledgor's obligations pursuant to  
 this Agreement and the other Loan Documents.  
  
 (b) No consent of any other party (including, without  
 limitation, any creditor of the Pledgor) and no governmental approval is  
 required either (i) for the pledge by the Pledgor of the Pledged  
 Collateral pursuant to this Pledge Agreement or for the execution,  
 delivery or performance of this Pledge Agreement by Pledgor or (ii) for  
 the exercise by the Secured Party of the voting or other rights provided  
 for in this Pledge Agreement or the remedies in respect of the Pledged  
 Collateral pursuant to this Pledge Agreement (except as may be required  
 in connection with such disposition by laws affecting the offering and  
 sale of securities generally).  
  
 5. FURTHER ASSURANCES. The Pledgor agrees that at any time and  
from time to time the Pledgor will promptly execute and deliver all further  
instruments and documents, and take all further action, that may be necessary or  
desirable or that the Secured Party may request, in order to perfect and protect  
any security interest granted or purported to be granted hereby or to enable the  
Secured Party to exercise and enforce its rights and remedies hereunder with  
respect to any Pledged Collateral and to carry out the provisions and purposes  
hereof.  
  
 6. ADMINISTRATION OF SECURITY. The following provisions shall  
govern the administration of the Pledged Collateral:  
  
 (a) So long as no Event of Default shall have occurred:  
  
 (i) The Pledgor shall be entitled to exercise  
 any and all voting and other consensual rights pertaining to the  
 Pledged Collateral or any part thereof for any purpose not  
 inconsistent with the terms of this Pledge Agreement or the  
 Promissory Note; provided, however, that the Pledgor shall not  
 exercise or shall refrain from exercising any such right if, in  
 the Secured Party's sole judgment, such action or inaction would  
 have a material adverse effect on the value of the Pledged  
 Collateral or any part thereof; and provided, further, that the  
 Pledgor shall give the Secured  
  
  
  
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 Party at least thirty (30) days' written notice of the manner in  
 which he intends to exercise, and the reasons therefor, or the  
 reasons for refraining from exercising, any such right.  
  
 (ii) The Pledgor shall be entitled to receive  
 all cash dividends and other cash distributions paid or payable  
 with respect to any of the Pledged Collateral; provided,  
 however, that any such dividends or other distributions shall  
 first be applied by Pledgor toward the payment of the then  
 unpaid principal balance (and interest thereon) under the  
 Promissory Note. Any and all instruments and other property  
 (other than cash or checks) received, receivable or otherwise  
 distributed in respect of, or in exchange for, any Pledged  
 Collateral, shall be delivered to the Secured Party to hold as  
 Pledged Collateral and shall, if received by the Pledgor, be  
 received in trust for the benefit of the Secured Party, be  
 segregated from the other property or funds of Pledgor, and be  
 forthwith delivered to the Secured Party as Pledged Collateral  
 in the same form as so received (with any necessary  
 endorsement).  
  
 (b) Upon the occurrence of an Event of Default:  
  
 (i) All rights of the Pledgor to exercise the  
 voting and other consensual rights which he would otherwise be  
 entitled to exercise pursuant to Section 6(a)(i) and to receive  
 the dividends which he would otherwise be authorized to receive  
 and retain pursuant to Section 6(a)(ii) shall cease, and all  
 such rights shall, upon notice by the Secured Party to the  
 Pledgor, become vested in the Secured Party who shall thereupon  
 have the sole right to exercise such voting and other consensual  
 rights and the sole right to receive and hold as Pledged  
 Collateral such dividends (and to the extent permissible, apply  
 them to the Obligations of Pledgor).  
  
 (ii) All dividends which are received by the  
 Pledgor contrary to the provisions of paragraph (i) of this  
 Section 6(b) shall be received in trust for the benefit of the  
 Secured Party, shall be segregated from other funds of the  
 Pledgor and shall be forthwith paid over to the Secured Party as  
 Pledged Collateral in the same form as so received (with any  
 necessary endorsement).  
  
 7. TRANSFERS AND OTHER LIENS; ADDITIONAL SHARES. The Pledgor  
agrees that he will not, except as permitted by this Pledge Agreement or the  
Promissory Note: (i) sell or otherwise dispose of, or grant any option with  
respect to, any of the Pledged Collateral or (ii) enter into any other  
contractual obligations which may restrict or inhibit the Secured Party's rights  
or ability to sell or otherwise dispose of the Pledged Collateral or any part  
thereof after the occurrence of an Event of Default.  
  
 8. THE SECURED PARTY APPOINTED ATTORNEY-IN-FACT. The Pledgor  
hereby appoints the Secured Party the Pledgor's attorney-in-fact effective upon  
the occurrence of an Event of Default, with full authority in the place and  
stead of the Pledgor and in the name of the Pledgor or otherwise, from time to  
time in the Secured Party's discretion to take any action and to execute any  
instrument which the Secured Party may deem necessary or advisable to accomplish  
the purposes of this Pledge Agreement, including, without limitation, to  
receive,  
  
  
  
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endorse and collect all instruments made payable to Pledgor  
representing any dividend or other distribution in respect of the Pledged  
Collateral or any part thereof.  
  
 9. THE SECURED PARTY'S DUTIES; REASONABLE CARE. The powers  
conferred on the Secured Party hereunder are solely to protect its interest in  
the Pledged Collateral and shall not impose any duty on it to exercise any such  
powers. Except for the safe custody of any Pledged Collateral in its possession  
and the accounting for monies actually received by it hereunder, the Secured  
Party shall have no duty as to any Pledged Collateral. The Secured Party shall  
be deemed to have exercised reasonable care in the custody and preservation of  
the Pledged Collateral in its possession if the Pledged Collateral is accorded  
treatment that is not materially less protective than that which the Secured  
Party accords its own property, it being expressly agreed that the Secured Party  
shall have no responsibility for (i) ascertaining or taking action with respect  
to calls, conversions, exchanges, maturities, tenders or other matters relative  
to any Pledged Collateral, whether or not the Secured Party has or is deemed to  
have knowledge of such matters, or (ii) taking any necessary steps to preserve  
rights against any parties with respect to any Pledged Collateral, but the  
Secured Party may do so at its option and all expenses incurred in connection  
therewith shall be payable by and for the sole account of the Secured Party.  
  
 10.DEFAULTS. The occurrence of any one or more of the following  
events or conditions shall constitute an Event of Default under this Agreement:  
  
 (a) Failure to Perform. The Pledgor fails to make any  
 principal or interest payment required pursuant to the Promissory Note,  
 this Pledge Agreement or any other Loan Documents and fails to cure such  
 default within the grace period provided in the applicable Loan  
 Document.  
  
 (b) Representations and Warranties. The Pledgor makes or  
 has made or furnishes or has furnished, any material written warranty,  
 representation or statement to the Secured Party in connection with this  
 Agreement or any of the other Loan Documents which is or was false or  
 misleading when made or furnished.  
  
 (c) Additional Liens; Attachment. Any lien or  
 encumbrance other than that created by this Pledge Agreement is placed  
 on, or any levy is made on the Collateral, or any portion thereof; or  
 the Collateral, or any portion thereof, is seized or attached pursuant  
 to legal process, and such lien, encumbrance, levy, seizure, or  
 attachment is not removed or released within sixty (60) days from the  
 time such lien or encumbrance was placed thereon or such levy, seizure  
 or attachment was effected; provided, however, that neither the  
 imposition of any lien, encumbrance or levy on the Collateral, nor the  
 seizure of the Collateral, shall constitute an Event of Default under  
 this Pledge Agreement unless such imposition or seizure occurs as a  
 direct result of actions taken by the Pledgor.  
  
 (d) Voluntary Bankruptcy. The Pledgor commences or  
 proposes to commence any bankruptcy, reorganization or insolvency  
 proceeding, or other proceeding under any federal, state or other law  
 for the relief of debtors;  
  
  
  
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 (e) Involuntary Bankruptcy. The Pledgor fails to obtain  
 dismissal, within ninety (90) days after commencement thereof, of any  
 bankruptcy, insolvency, or reorganization proceeding or other proceeding  
 for relief under any bankruptcy law, including, without limitation, the  
 Federal Bankruptcy Code, or any law for the relief of debtors,  
 instituted against the Pledgor by one or more third parties, fails to  
 oppose actively such proceeding, or, in any such proceeding defaults or  
 files an answer admitting the material allegations upon which the  
 proceeding was based, or alleges its willingness to have an order for  
 relief entered or its desire to seek liquidation, reorganization or  
 adjustment of its debts; and  
  
 (f) Receiver Appointed. Any receiver, trustee or  
 custodian is appointed by a court of competent jurisdiction to take  
 possession of all or any substantial portion of the assets of Pledgor.  
  
 11.REMEDIES UPON DEFAULT. If any Event of Default shall have  
occurred:  
  
 (a) The Secured Party may exercise in respect of the  
 Pledged Collateral, in addition to other rights and remedies provided  
 for herein or otherwise available to it, all the rights and remedies of  
 a secured party under the applicable state Uniform Commercial Code in  
 effect at that time, and the Secured Party may also, without notice  
 except as specified below, sell the Pledged Collateral or any part  
 thereof in one or more parcels at public or private sale, at any  
 exchange, broker's board or at any of the Secured Party's offices or  
 elsewhere, for cash, on credit or for future delivery, and upon such  
 other terms as the Secured Party may deem commercially reasonable. The  
 Pledgor acknowledges and agrees that any such private sale may result in  
 prices and other terms less favorable to the seller than if such sale  
 were a public sale. The Pledgor agrees that, to the extent notice of  
 sale shall be required by law, at least ten (10) days' notice to the  
 Pledgor of the time and place of any public sale or the time after which  
 any private sale is to be made shall constitute reasonable notification.  
 The Secured Party shall not be obligated to make any sale of Pledged  
 Collateral regardless of notice of sale having been given. The Secured  
 Party may adjourn any public or private sale from time to time by  
 announcement at the time and place fixed therefor, and such sale may,  
 without further notice, be made at the time and place to which it was so  
 adjourned.  
  
 (b) Any cash held by the Secured Party as Pledged  
 Collateral and all cash proceeds received by the Secured Party in  
 respect of any sale of, collection from, or other realization upon all  
 or any part of the Pledged Collateral may, in the discretion of the  
 Secured Party, be held by the Secured Party as collateral for, and/or  
 then or at any time thereafter applied in whole or in part by the  
 Secured Party for its benefit against, all or any part of the  
 Obligations of the Pledgor pursuant to the Note or this Agreement. Any  
 surplus of such cash or cash proceeds held by the Secured Party and  
 remaining after payment in full of all the Obligations shall be paid  
 over to the Pledgor or to whomsoever may be lawfully entitled to receive  
 such surplus or as a court of competent jurisdiction may direct;  
 provided, that in the event that all of the conditions to the  
 termination of this Pledge Agreement pursuant to Section 13 shall not  
 have been fulfilled, such balance shall  
  
  
  
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 be held and applied from time to time as provided in this subsection  
 11(b) until all such conditions shall have been fulfilled.  
  
 12.REMEDIES CUMULATIVE. Each right, power and remedy of the  
Secured Party provided in this Pledge Agreement or now or hereafter existing at  
law or in equity or by statute or otherwise shall be cumulative and concurrent  
and shall be in addition to every other right, power or remedy provided for in  
this Pledge Agreement or now or hereafter existing at law or in equity or by  
statute or otherwise. The exercise or partial exercise by the Secured Party of  
any one or more of such rights, powers or remedies shall not preclude the  
simultaneous or later exercise by the Secured Party of all such other rights,  
powers or remedies, and no failure or delay on the part of the Secured Party to  
exercise any such right, power or remedy shall operate as a waiver thereof.  
  
 13.RELEASE; TERMINATION.  
  
 (a) So long as no Event of Default shall have occurred  
 and the requirements of payment set forth in the Promissory Note are  
 satisfied, the Pledgor may sell or dispose of any Pledged Collateral, if  
 such sale or disposition is not prohibited by any terms or conditions of  
 this Pledge Agreement, the Promissory Note or any other agreement  
 including, without limitation that certain Restricted Stock Purchase  
 Agreement between the Pledgor and the Secured Party relating to the  
 Pledged Collateral (the "Restricted Stock Purchase Agreement"). The  
 Secured Party shall upon request of the Pledgor execute and deliver to  
 the Pledgor a release or releases in form reasonably satisfactory to the  
 Secured Party to release the lien of this Pledge Agreement with respect  
 to such Pledged Collateral and assign, transfer and deliver such Pledged  
 Collateral to the Pledgor. Such releases and assignments shall be  
 without warranty by or recourse to the Secured Party, except as to the  
 absence of any prior assignments by the Secured Party of its interest in  
 the Pledged Collateral, and shall be at the expense of the Pledgor.  
  
 (b) This Pledge Agreement shall terminate upon full and  
 complete payment in full of all Obligations on the Promissory Note and  
 the other Loan Documents. The Secured Party, at the time of such  
 termination and at its expense, will execute and deliver to the Pledgor  
 a proper instrument or instruments acknowledging the termination of this  
 Pledge Agreement, and will duly assign, transfer and deliver to the  
 Pledgor such of the Pledged Collateral as has not yet theretofore been  
 sold or otherwise applied or released pursuant to this Pledge Agreement,  
 together with any moneys at the time held by the Secured Party  
 hereunder, subject to any other agreement including, without limitation,  
 the Restricted Stock Purchase Agreement. Such assignment and delivery  
 shall be without warranty by or recourse to the Secured Party, except as  
 to the absence of any prior assignments by the Secured Party of its  
 interest in the Pledged Collateral.  
  
 14.CONTINUING SECURITY INTEREST. This Pledge Agreement shall  
create a continuing security interest in the Pledged Collateral and shall (i)  
remain in full force and effect until terminated pursuant to Section 13(b), (ii)  
be binding upon the Pledgor and its heirs, successors and assigns, and (iii)  
inure, together with the rights and remedies of the Secured Party hereunder, to  
the benefit of the Secured Party, its successors, transferees and assigns.  
  
  
  
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 15.WAIVER. To the fullest extent he may lawfully so agree, the  
Pledgor agrees that he will not at any time insist upon, claim, plead, or take  
any benefit or advantage of any appraisement, valuation, stay, extension,  
moratorium, redemption or similar law now or hereafter in force in order to  
prevent, delay, or hinder the enforcement hereof or the absolute sale of any  
part of the Pledged Collateral; the Pledgor for itself and all who claim through  
him, so far as he or they now or hereafter lawfully may do so, hereby waive the  
benefit of all such laws, and all right to have the Pledged Collateral marshaled  
upon any foreclosure hereof, and agree that any court having jurisdiction to  
foreclose this Pledge Agreement may order the sale of the Pledged Collateral as  
an entirety.  
  
 16. REINSTATEMENT. This Pledge Agreement shall continue to be  
effective or be reinstated, as the case may be, if at any time any amount  
received by the Secured Party in respect of Pledgor's Obligations pursuant to  
the Promissory Note and the other Loan Documents is rescinded or must otherwise  
be restored or returned by the Secured Party upon the insolvency, bankruptcy,  
dissolution, liquidation or reorganization of the Pledgor or upon the  
appointment of any intervenor or conservator of, or trustee or similar official  
for, the Pledgor or any substantial part of its assets, or otherwise, all as  
though such payments had not been made.  
  
 17.SEVERABILITY. The provisions of this Pledge Agreement are  
severable, and if any clause or provision shall be held invalid or unenforceable  
in whole or in part in any jurisdiction, then such invalidity or  
unenforceability shall affect only such clause or provision, or part thereof, in  
such jurisdiction and shall not in any manner affect such clause or provision in  
any other jurisdiction, or any other clause or provision of this Pledge  
Agreement in any jurisdiction.  
  
 18.SURVIVAL OF PROVISIONS. All representations, warranties and  
covenants of the Pledgor contained herein shall survive the execution and  
delivery of this Pledge Agreement, and shall terminate only upon the full and  
final payment and performance by the Pledgor of its indebtedness and obligations  
secured hereby.  
  
 19.COUNTERPARTS. This Pledge Agreement may be executed in one or  
more counterparts, each of which shall be deemed an original but all of which  
shall together constitute one and the same agreement.  
  
 20.GOVERNING LAW. This Pledge Agreement shall be construed in  
accordance with and all disputes hereunder shall be governed by the laws of the  
State of Delaware, without regard to principles of conflicts of laws.  
  
 21.GENDER. As used throughout this Pledge Agreement, references  
to the masculine gender shall be deemed to include references to the feminine,  
unless the context clearly indicates otherwise.  
  
 22.AMENDMENTS. This Agreement may be amended, modified or  
supplemented only by a written instrument signed by the Pledgor and the Secured  
Party.  
  
  
  
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 IN WITNESS WHEREOF, the parties hereto have caused this Pledge  
Agreement to be duly executed and delivered as of the date first above written.  
  
  
  
  
  
 By:  
 ---------------------------------  
 Name  
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 Title:  
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 GENENCOR INTERNATIONAL, INC.  
  
  
  
 By:  
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 Name  
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 Title:  
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