**COMMERCIAL PLEDGE**

This Commercial Pledge (the “Agreement”) is effective [DATE],

BETWEEN: [YOUR COMPANY NAME] (the "Lender"), company organised and existing under the laws of the [State/Province] of [Country], with its head office located at:

[YOUR COMPLETE ADDRESS]

AND: [COMPANY NAME] (the "Borrower"), a company organised and existing under the laws of the [State/Province] of [Country], with its head office located at:

[COMPLETE ADDRESS]

THE PARTIES HERETO HAVE AGREED AS FOLLOWS:

1. LOAN

Subject to and in accordance with all the terms and conditions of that certain credit agreement entered into between the Lender and the Borrower bearing formal date of [DATE] as same may be amended and supplemented at any time and from time to time (the “Credit Agreement”), the Lender offered to lend to the Borrower, and the Borrower accepted to borrow from the Lender, an amount equal to the sum of [AMOUNT IN LETTERS] (R[AMOUNT]) (the “Loan”), with interest thereon at the rate stipulated therein.

2. SECURITY

As security for the performance by the Borrower of all its obligations, present and future, direct and indirect, absolute and contingent, toward the Lender hereunder and under the Credit Agreement and the Security Documents (as defined in the Credit Agreement), including, without limiting the generality of the foregoing, the obligation to repay in principal, interest, fees and accessories, all monies presently owing and due and hereafter to become owing and due to the Lender by the Borrower under the Credit Agreement, the Borrower, in accordance with the provisions of the laws of [COUNTRY], hereby charges and pledges as and by way of a commercial pledge, in favour of the Lender, the following equipment and machinery, to wit:

[DESCRIBE EQUIPMENT/MACHINERY] (the “Property”)

3. PROPERTY

The location of the property of a fixed nature, which is pledged herein, is at the location of the Borrower situated at [FULL ADDRESS];

4. PLEDGE LOCATION

The establishment in the [State/Province] of [COUNTRY] where are controlled and recorded the movements of the assets pledged herein and which are not of a fixed nature, is located at [FULL ADDRESS];

5. CHANGE OF LOCATION OR ESTABLISHMENT

If the said location or establishment is changed, the Borrower shall immediately inform the Lender thereof in writing. If the said location or establishment is changed for another outside the registration division in which the location or establishment, as the case may be, is located, the Borrower shall immediately furnish the Lender, to its entire satisfaction, evidence of renewal of the deed registration at the office of the new registration division.

6. PROPERTY PLEDGED

The Lender hereby declares and guarantees that the property pledged has been paid in full and belongs to it in sole and absolute ownership, free and clear of all liens, privileges and charges whatsoever except for Permitted Encumbrances, as that term is defined in the Credit Agreement.

7. NO LIEN

The Borrower shall maintain the property pledged in good condition and repair and free and clear of all liens, charges and privileges whatsoever, except for Permitted Encumbrances; the Borrower shall grant the Lender access at all times to the said property for the purpose of inspecting same.

8. PREMISES

If any property pledged is located in leased premises or is at any time placed in leased premises, the Borrower shall immediately notify the lessor in writing of the said pledge and shall provide the Lender with proof of such notification to its entire satisfaction.

9. ADDITIONAL SECURITY

As additional security, the Borrower binds and obliges itself to insure the property pledged against loss by fire and other risks, to the satisfaction of the Lender, at least to the extent of the full replacement cost thereof without depreciation, with an insurance company approved by the Lender, to transfer to the latter all insurance policies, to maintain same in force until full payment of the said Loan and to deliver to the Lender, at least [NUMBER] days prior to the expiration of a policy, the receipts evidencing the renewal thereof. In the event of failure by the Borrower to fulfil any of its obligations hereinabove mentioned, the Lender, without prejudice to any of its other recourses, may, at the Borrower’s expense, take out any new insurance policies and claim immediate repayment of the premiums thereof, at the lower rate of interest mentioned in the Credit Agreement on the remaining advances guaranteed by the present deed.

The proceeds of any insurance shall be paid directly to the Lender to the extent of the amount of its claim, and, for this purpose, the Borrower hereby declares that it transfers same to the Lender as of the date hereof.

10. LEGAL FEES

The Borrower shall pay all legal fees with respect to these presents and all registration expenses, including the renewal of such registration when necessary.

11. INSURANCE PREMIUMS OR COSTS

The Borrower shall pay to the Lender, on demand, all sums expended by the latter for the payment of insurance premiums and any other costs in connection with the Loan or to preserve the security or for the fulfilment of any obligation of the Borrower hereunder, with interest on all such sums at the lower rate of interest mentioned in the Credit Agreement on the remaining advances guaranteed by the present deed from the date of payment thereof by the Lender, the whole without prejudice to the other rights of the Lender.

12. OBLIGATIONS

Failure to fulfil any of the obligations stipulated herein within the period of time afforded to the Borrower shall constitute a default on the part of the Borrower, without the necessity of any notice.

13. CONSTITUTED SECURITY

The security hereby constituted shall become enforceable in each of the instances mentioned below, namely, should the Borrower:

13.1 commit an “Event of Default” as that term is defined in the Credit Agreement;

13.2 allow the security hereinbefore mentioned to diminish; fail to maintain the property pledged in good condition, or change its destination without the consent of the Lender, or move it without having first notified the Lender thereof; or transfer the ownership thereof by deed inter fvivos, either for valuable consideration or gratuitously;

13.3 fail to pay the fees with respect to the present deed and the registration thereof or the renewal thereof;

13.4 refuse to allow the Lender to examine the said property, from time to time, to ascertain its condition;

13.5 fail or refuse to fulfil or execute any other obligations, clauses or conditions stipulated in the present deed.

14. DEFAULT

In the event that any one or more of the events of default above mentioned shall have occurred, the Lender, without notice or delay:

14.1 shall be entitled to demand without notice and without prejudice to any other recourses, repayment of the Loan, accrued interest, interest on interest, costs and expenses incurred in protecting its claim, in addition to a fixed amount of [%] of the original amount of the Loan;

14.2 shall have the right, without prejudice to any other rights and recourses which it may have, to require the Borrower to deliver on demand the property pledged so that the Lender may sell it at auction, and after notice, in the manner provided by the laws of the [State/Province] of [COUNTRY], and the Lender shall have the right to payment by preference out of the proceeds of sale, of the entire amount of the Loan then outstanding in principal, interest and accessories and all other sums the repayment of which is secured by this Deed of Commercial Pledge, including the costs relating to the repossession and the sale.

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

THE LENDER THE BORROWER

Authorised Signature Authorised Signature

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