

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 16, 2022



**LivaNova PLC**

(Exact Name of Registrant as Specified in its Charter)

**England and Wales**  
(State or Other Jurisdiction  
of Incorporation)

**001-37599**  
(Commission  
File Number)

**98-1268150**  
(IRS Employer  
Identification No.)

**20 Eastbourne Terrace**  
**London, W2 6LG**  
**United Kingdom**  
(Address of Principal Executive Offices)

**+44 20 33250660**  
(Registrant's Telephone Number, Including Area Code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                         | Trading Symbol(s) | Name on each exchange on which registered |
|---|-------------------|---|
| Ordinary Shares - £1.00 par value per share | LIVN              | NASDAQ Global Market                      |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into Material Definitive Agreements.**

On March 18, 2022, LivaNova PLC (“LivaNova”), acting through its Italian branch, entered into an Indemnity Letter and a Bank Account Pledge Agreement (“Account Pledge Agreement”) with Barclays Bank Ireland PLC, acting through its Italian branch (“Barclays”), further to which Barclays issued a Euro 270,000,000 first demand bank guarantee which was delivered (as described in Item 8.01 below) to obtain the suspension of the Court of Appeals judgment for the payment of damages in connection with the SNIA litigation until review of such judgment by the Italian Supreme Court (the “SNIA Litigation Guarantee”). As security for the SNIA Litigation Guarantee, LivaNova is required to grant cash collateral to Barclays in US Dollars in an amount equal to the USD equivalent of 105% of the amount of the SNIA Litigation Guarantee (calibrated on a biweekly basis).

The Indemnity Letter and the Account Pledge Agreement are filed herewith as Exhibits 10.1 and 10.2 and incorporated herein by reference.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

On March 16, 2022, LivaNova delivered a borrowing notice for \$220,000,000 under the Credit Agreement dated August 13, 2021 (as from time to time amended, supplemented and restated, the “Credit Agreement”) in connection with the Incremental Facility granted to LivaNova USA, Inc. by Goldman Sachs Bank USA under the Incremental Facility Amendment No. 1, dated February 24, 2022 as from time to time amended, supplemented and restated (the “Incremental Facility”), which was funded on March 17, 2022. The proceeds of the Incremental Facility will be used by LivaNova to post a portion of the cash collateral supporting the SNIA Litigation Guarantee. The Incremental Facility will bear interest at an adjusted term SOFR rate, with a floor of 0.5%, plus the variable margin set forth under the Credit Agreement. The Incremental Facility will mature 15 months after the date of borrowing and is subject to mandatory prepayment in connection with certain asset dispositions, equity or debt issuance (subject to customary exceptions) as well as in the event that collateral securing the SNIA Litigation Guarantee (as defined below) is released.

The Credit Agreement and Incremental Facility were included as Exhibits 10.50 and 10.51, respectively, to LivaNova’s Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the Securities and Exchange Commission on March 1, 2022. The description above does not purport to be complete and is qualified in its entirety by the complete text of the Credit Agreement and the Incremental Facility.

The information in Item 1.01 is incorporated into this item 2.03 by reference.

**Item 8.01 Other Events**

As described in Item 1.01, on March 18, 2022 Barclays issued the SNIA Litigation Guarantee. The information in Item 1.01 with respect to the SNIA Litigation Guarantee is incorporated into this Item 8.01 by reference.

On March 21, 2022 LivaNova delivered the SNIA Litigation Guarantee as required by the Court of Appeals of Milan, thereby satisfying the condition to obtain the suspension of the Court of Appeals judgment for the payment of damages in connection with the SNIA litigation until review of such judgment by the Italian Supreme Court.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

| <b><u>Exhibit</u></b> | <b><u>Description</u></b>  |
|-----------------------|--|
| 10.1                  | <a href="#"><u>Letter of indemnity in respect of the issuance of Trade Finance guarantee by Barclays Bank Ireland PLC, Italy Branch dated March 18, 2022, by and among LivaNova PLC Italian Branch and Barclays Bank Ireland PLC, Italy Branch</u></a> |
| 10.2                  | <a href="#"><u>Pledge Agreement dated as of March 18, 2022, among LivaNova PLC Italian Branch and Barclays Bank Ireland PLC, Italy Branch</u></a>  |
| 104                   | Cover Page Interactive Data File (embedded within the Inline XBRL document)  |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LivaNova PLC

Date: March 21, 2022

By: /s/ Keyna Skeffington

Name: Keyna Skeffington

Title: Senior Vice President & General Counsel

To:  
**Barclays Bank Ireland PLC**  
Italy Branch

Via della Moscova 18 20121 Milano

Milan, 18/03/2022

**Re: Letter of indemnity in respect of the issuance of Trade Finance guarantee by Barclays Bank Ireland PLC, Italy Branch**

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**SUMMARY DOCUMENT**

|  |  |
|--|--|
| Fees for issue of guarantee  | 0,50 % of the amount of the bank guarantee/bond per year, to be paid in advance on a quarterly basis |
| Charges for issue  | € 0  |
| Charges for notification/amendment/extension   | € 0  |
| Charges for drafting text  | € 0  |
| Charges for sending documents by courier   | € 0  |
| Charges for sending via SWIFT  | € 0  |
| Fees and charges claimed by other banks  | € 0  |
| Value date of fees and charges   | € 0  |
| Sureties in foreign currency   | € 0  |
| Charges for enforcement in the interest of the Bank's customers in the case of guarantees received | € 0  |
| Charges for enforcement against the Bank's customers in the case of guarantees issued              | € 0  |
| Registration charges   | Equivalent to the amount of the tax/stamp duty/fees payable  |

LivaNova PLC Filiale Italiana Via Benigno Crespi 17 20159 Milano  
(MI) Italia  
Iscritta al Registro Imprese di Milano - Codice Fiscale 09167120964  
Partita IVA 09167120964 REA MI - 2073116  
Tel. n. : +39 02 69969 711

LivaNova PLC  
20 Eastbrone Terrace,  
London W2 6LG  
Registered in England and Wales  
nr. 09451374

Tel. n.: +44 20 37865275  
[www.livanova.com](http://www.livanova.com)

|   |   |
|---|---|
| Charges for notarization                                    | Equivalent to the amount of the notary's bill including VAT (and stamps if any) |
| Administrative charges for notarization and/or registration | € 0   |
| Management fees   | Max € 50.000,00   |

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Dear Sirs,

Further to our recent discussions, we hereby request you to issue a bank guarantee on our behalf (the "**Guarantee**") on the terms set out below:

- Principal: LIVANOVA PLC 20 Eastbourne Terrace, London W2 6LG United Kingdom, acting through LIVANOVA PLC FILIALE ITALIANA, Via Benigno Crespi 17 20159 Milano
- Guaranteed person or company: MINISTERO DELLA TRANSIZIONE ECOLOGICA, PRESIDENZA DEL CONSIGLIO DEI MINISTRI, MINISTERO DELL'ECONOMIA E DELLE FINANZE, elettivamente domiciliati in Milano Via Freguglia 1, presso l'Avvocatura Distrettuale dello Stato (the "**Beneficiary**");
- Credit institution where Guarantee is to be lodged: not applicable;
- Maximum amount guaranteed: EUR 270.000.000,00 (EUR two hundred and seventy million/00) (the "Maximum Amount Guaranteed");
- Expiry: open ended;
- Subject of the Guarantee provided: Cauzione per attività di ripristino e bonifica ambientale;

We undertake to comply with the terms and conditions set out in this letter of indemnity.

The Guarantee must be drawn up in the form requested by the beneficiary, as per Appendix A hereto (Cf. appendix).

We hereby declare that:

- (a) Prior to submitting this application for issue of a guarantee and the related grant of indemnity on our part, we have accessed the information provided by Barclays Bank Ireland PLC, Italy branch (the "**Bank**") on its website [www.barclays.it](http://www.barclays.it), and reviewed the following documents: (i) a copy of the Information Sheets (Articles 115 et seq. of Legislative Decree No. 385 of 1 September 1993 and Bank of Italy Regulatory Instructions of 9 February 2011 on the subject of transparency of banking and financial transactions and services) containing the information on the Bank, as well as the terms and conditions and features of the services offered, and (ii) the guide to the out-of-court dispute resolution under article 128-bis of the Italian banking act;
- (b) We have been informed of the possibility of obtaining, on request and free of charge, a copy of the application for the issue of a guarantee to be submitted by us and this letter of indemnity to be issued by us, as well as the Summary Document, even before submission of the application itself and without commitment for the parties, and that we have availed ourselves of that possibility;
- (c) We do not act in the capacity as "consumers" pursuant to Article 3(1)(a) of Legislative Decree No. 206 of 6 September 2005.

We acknowledge that, for the purposes hereof, the Bank classified us as "client different from consumer/retail customer" and we are aware that the Bank, after the execution hereof, shall change the above classification, on our demand, depending on the applicable legal requirements.

## **1. Purpose and limitations on the Bank's liability**

- 1.1 We hereby acknowledge that we are requesting you to issue a bank guarantee on the terms and conditions and for the Maximum Amount Guaranteed set out above, payable by you upon first request from the beneficiary, with no possibility of our raising any objection irrespective of the circumstances of our relationship with the beneficiary.
- 1.2 That Guarantee shall remain in force until the expiry date set out above.
- 1.3 We hereby give our express consent, under our own responsibility, that you may, in the event of enforcement of the Guarantee, immediately pay the amount claimed by the beneficiary, following its simple written request, irrespective of any challenge or dispute raised by anyone, up to the Maximum Amount Guaranteed.
- 1.4 The Guarantee to be issued by you following our application shall be governed by Italian Law. We hereby agree, under our entire responsibility, to bear at our exclusive expense any prejudicial consequence, loss, cost, expense or charge of any type and amount that may directly or indirectly derive from the application of the law of that jurisdiction and/or other

foreign jurisdictions, or the terms that your foreign correspondents may require you to accept for the purposes of the issue of the Guarantee, hereby releasing the Bank and any company belonging to the Bank's banking group from any liability vis-à-vis ourselves and/or third parties. In the event of any prejudicial consequence, loss, cost, expense or charge of any type and amount arising directly or indirectly for the Bank and/or other companies belonging to the Bank's banking group from application of the law of that jurisdiction and/or other foreign jurisdictions, or the terms that your foreign correspondents may require you to accept for the purposes of issue of the Guarantee, we hereby undertake to indemnify and hold harmless the Bank and/or any other company belonging to the Bank's banking group, arranging promptly to make good, without exception, any loss whatsoever and to immediately refund any other cost, expense or charge the latter may have incurred as a consequence of the application of the rules of the above-mentioned foreign jurisdictions, or the terms that your foreign correspondents may require you to accept for the purposes of issue of the Guarantee.

- 1.5 Where the Bank uses an electronic system to send the Guarantee or any document or correspondence relating thereto, we relieve the Bank and its correspondents of any liability for delays or errors due to the electronic system used.
- 1.6 It is agreed that, where a payment made by us in your favour is subject to deductions or withholding taxes, we shall increase the amount of that payment so that the Bank receives what would be due to it in the absence of such deductions or withholding taxes. It is also agreed that any exchange risk is to be borne by us.

## **2. Fee**

- 2.1 As long as the original Guarantee issued by you has not been returned to you by the beneficiary or, failing this, the latter has not issued you with an equivalent declaration of release, we shall pay you a fee at the annual rate of 0,50% (Zero point fifty percent), calculated on the Maximum Amount Guaranteed, starting from the date of issuance, plus maximum Euro 50,000.00 (Euro fifty thousands/00) as management fees . To this end, we hereby authorize you to debit that fee, together with any expenses and charges, to our current account No. 01/424/412, IBAN IT10F030510169900000000412. with the Bank, Barclays Bank Ireland PLC, Milan branch branch, or any other current account held by us with the Bank. The schedule of fees, together with any expenses or charges relating to the assignment undertaken by you with regard to this request for issue of a guarantee with grant of indemnity on our part, is contained in the Summary Document inserted as the front page of this agreement and which forms an integral part thereof.

## **3. Indemnity**



- 3.1 The aforesaid Guarantee is understood to be provided by you on our exclusive behalf and at our exclusive risk and, in the event of enforcement of the Guarantee, we irrevocably and unconditionally undertake by means of this letter of indemnity to pay you promptly, at your simple request, the guaranteed sum of EUR 270.000.000,00 (EUR Two hundred and seventy million) plus interest and expenses. In addition, even if the Guarantee is not enforced, we undertake to indemnify and hold you harmless from any further cost, charge, expense or loss, including those deriving from or relating to legal proceedings, that may be incurred by you in relation thereto (including as a consequence of fiscal obligations in Italy or abroad connected with the issue of the Guarantee, therein including those relating to withholding tax on any fees you may owe to your correspondents), even before you have made the payment.
- 3.2 We also hereby undertake to indemnify and hold you harmless with reference to all the related expenses, commissions and fees, taxes and duties of any kind payable by you and any of your correspondents, including foreign correspondents, from the date of issue of the Guarantee or from the time when you request one or more correspondents, including foreign correspondents, to issue same on our behalf. These obligations of ours shall remain in force and valid so long as the Guarantee issued by you remains in force and in any event until the original Guarantee agreement has been returned to you or until the beneficiary, possibly also via your correspondents, including foreign correspondents, has issued you with a formal declaration of full release in writing, containing *inter alia* an express declaration of waiver of any and every claim against the Bank.
- 3.3 In addition to the provisions of the preceding subsections, this indemnity also refers to any claims received via your correspondents, including foreign correspondents. We also acknowledge and agree that we remain liable to you for all charges of a fiscal nature that you may be called upon to pay at any time and for any reason and that derive from or are connected with the Guarantee provided by you.
- 3.4 Our commitment to you is to be considered as extending for 30 (thirty) days after expiry of the Guarantee issued by you, so that you may pass on to us any claims and/or requests, on the understanding that we expressly acknowledge that the first and second paragraphs of Article 1952 of the Italian Civil Code shall not apply and that, therefore, you shall always have recourse against us. We hereby waive any right to raise any objection against you that we may have raised against the principal creditor at the time of payment, even where, for any reason, you have paid the beneficiary without having informed us and/or we have also paid the debt. It is understood in addition that in any case you shall always have the option to bring an action for restitution against the creditor.
- 4. Waiver of objections**

4.1 In consideration of the automatic, autonomous nature of the Guarantee you are to provide, we give you an undertaking that we shall not raise any exception or objection to payment by you in the event of enforcement of the Guarantee and, in particular, that we shall not bring any legal action against you designed to prevent or delay its enforcement. Where we consider that the Guarantee has been wrongfully enforced – without prejudice to our obligation to pay what is due to you at your first request – we undertake to bring any actions for restitution solely and exclusively against the beneficiary of the Guarantee and/or other parties that may be involved, but in any case not against the Bank.

## 5. Monetary compliance of the transaction

5.1 We also hereby accept any present and future liability concerning the monetary compliance of the transaction and, more generally, its conformity with the legal and regulatory provisions applicable thereto and we declare that the necessary monetary measures have been adopted, expressly relieving the Bank of any liability in this respect.

## 6. Communications

6.1 We hereby request you to advise us, by notice sent by the 3rd (third) Bank Working Day ("Bank Working Day" meaning any day on which banks are open in Milan) following receipt, of any communication you may receive from the beneficiary of the Guarantee and/or any of your correspondents, including foreign correspondents, and which concerns the possible enforcement of the Guarantee. It is understood in any event that even if you send us the aforesaid notice later than the 3rd (third) Bank Working Day following its receipt by you, Article 1952 of the Italian Civil Code shall in no case apply and therefore the Bank shall always have recourse against us. We hereby expressly waive any right to raise any objection against you that we may have raised against the principal creditor at the time of payment, even where, for any reason, you have paid the beneficiary without having informed us and/or we have also paid the debt.

6.2 The notice referred to in the preceding subsection shall be understood as validly given if sent by certified e-mail (PEC) to the following e-mail address: [livanova@legalmail.it](mailto:livanova@legalmail.it); Or by registered letter with return receipt sent to the following address: LivaNova PLC Italian Branch, Via Benigno Crespi, 17 - 20159 Milano.

## 7. Right to revoke the credit line granted and possible cash collateral

7.1 We declare and expressly accept that the credit line you have granted to our company by virtue of your letter dated 15/03/2022 and which is fully accepted by us, on the basis of which we are asking you to issue a guarantee, may be revoked by you at any time, including prior to

expiry, at your unquestionable discretion and, in that case, we hereby undertake to release you from the commitments made.

- 7.2 We acknowledge and agree that, in order to secure our obligations hereunder, pledged cash collateral is established in your favour over our current account no. 01/424/78389328, IBAN IT57V0305101699000078389328, pursuant to the current account agreement dated 23/02/2022, and the relevant pledge agreement dated 18/03/2022. We hereby expressly authorise you to debit any amount that we may owe you hereunder on the above mentioned account.
- 7.3 We accept and agree that you may require us, at any time and as an express derogation from the restrictions set out in Article 1953 of the Italian Civil Code, to replace you with another guarantor. We hereby undertake to arrange without delay to conclude and sign, upon your simple request and at our exclusive expenses, any agreement or contract in public or private form as may be necessary or useful, in your unquestionable opinion, for your replacement by another guarantor.

## **8. Claims and extrajudicial resolution of disputes**

- 8.1 In the event of a dispute concerning the interpretation and/or implementation of this letter of indemnity or, more generally, the relationship with the Bank, the customer may submit a claim to the Bank's Claims Office, including by registered letter with return receipt or electronically, to the address Barclays Bank Ireland PLC, Italy branch, Complaints Office, Via della Moscova 18, 20121 Milan, or the e-mail address: [reclami@barclays.it](mailto:reclami@barclays.it), or to the fax number +390254153222, or the certified e-mail (PEC) [barclays.regulatory@pec.ie.barclays](mailto:barclays.regulatory@pec.ie.barclays), or by filling in the form available in the website [www.barclays.it](http://www.barclays.it), "Complaints" section.
- 8.2 To put forward the claim, the customer may use standard forms made available by the Bank. In any event, a claim submitted in another manner shall be considered valid if it contains the details of the complainant, the reasons for the claim and the signature or similar element permitting certain identification of the customer.
- 8.3 If the claim is admitted, the Bank shall inform the customer how much time is needed to resolve the problem.
- 8.4 If he does not receive a response within 60 days or is not satisfied with the response, the customer may appeal to the Banking Ombudsman (*Arbitro Bancario Finanziario* - ABF), subject to the following conditions:
- (a) no more than twelve months have elapsed since submission of the claim to the Bank;

- (b) the dispute concerns banking and financial transactions and services: 1) up to EUR 200,000, if the customer is seeking a sum of money; 2) without restriction on the amount if it is sought solely to ascertain rights, obligations and options (for example, if the complaint concerns failure to deliver the transparency documentation);
- (c) the dispute has not already been reviewed by the judicial authority, arbitrators or conciliators. However, appeal to the Banking Ombudsman is possible if a conciliation procedure is not successful.

To know more on how to approach the ABF, the customer may consult the website [www.arbitrobancariofinanziario.it](http://www.arbitrobancariofinanziario.it) directly.

- 8.5 The Client has the right to initiate an arbitration procedure if he is not satisfied or has not received a reply despite the complaint filed pursuant to the previous paragraph under this article. In this respect, with reference to the requirement laid down under article 5, paragraph 1-bis, of Legislative Decree no 28, dated March 4th 2010, to initiate an arbitration procedure before appealing to the judicial authority, the Parties agree (in pursuance of the afore-mentioned article 5, paragraph 5) to submit the disputes arising out of or in relation to this agreement to the Conciliatore Bancario Finanziario – Associazione per la soluzione delle controversie bancarie, finanziarie e societarie – ADR, the banking conciliation Body (registered with the register of conciliation bodies held with the Ministry of Justice) as Body specializing in banking and financial disputes that has access to an arbitrator network spread throughout the national territory. In accordance with the freedom of choice of the body, the contracting parties – also after underwriting this agreement – may however agree on appealing to another body registered with the same Ministry of Justice's register. This is without prejudice to the possibility, to the extent permitted by regulations, of starting the procedure as per article 128-bis of Legislative Decree no 385, dated September 1st 1993, that is, that of appealing to the Arbitro Bancario Finanziario, an out-of court scheme run by the Bank of Italy, which also fulfils the condition of admissibility as per article 5, paragraph 1-bis referred to above.

## 9. Applicable law and competent jurisdiction

- 9.1 Without prejudice to Clause 1.4 above concerning the law applicable to the requested Guarantee, this letter of indemnity is governed by Italian law and must be interpreted on the basis thereof.
- 9.2 We hereby undertake to submit any disputes deriving from this letter or connected therewith – including those relating to its interpretation, validity, effectiveness, implementation or termination, and those relating to the non-contractual obligations deriving from it – to attempted mediation according to the provisions of the regulations of the Conciliation Service of the Milan Chamber of Arbitration, of which we expressly declare knowledge and full

acceptance, prior to bringing any arbitration or judicial proceedings. If the attempted conciliation fails, the dispute shall be referred to the exclusive jurisdiction of the Courts of Milan.

## 10. Amendments to the Guarantee

- 10.1 We may submit any requests for variation in the expiry date of the Guarantee or Maximum Amount Guaranteed to the Bank by sending a letter of request in writing.
- 10.2 Irrespective of anything stated in the text of the Guarantee, we expressly acknowledge the Bank's right to assess any request for extension or amendment of the Guarantee at its unquestionable discretion.
- 10.3 We hereby acknowledge and accept that, concomitantly with the effective date of such amendments, our grant of indemnity pursuant to this letter of indemnity shall be understood as extended accordingly.

## 11. Miscellaneous

- 11.1 (a) Should the Bank delay the exercise of or fail to exercise its own rights pursuant hereto, in no case may this be interpreted as a waiver thereof. (b) The Bank's rights pursuant hereto do not exclude but are in addition to the other rights provided under the applicable law.
- 11.2 We confirm that, in carrying out the transaction referred to herein, your institution will not be involved, directly or indirectly, with any country or party that is the target of sanctions imposed from time to time by the European Union or its member states, United Kingdom, United States, United Nations or respective agencies/authorities, without your prior written consent. Furthermore, we undertake to procure that no proceeds deriving from the transaction referred to herein will, directly or indirectly, be used or paid for the purposes of any transaction related to either: (a) any person which is listed on the SDN List, or is owned or controlled, directly or indirectly, by any person listed on the SDN List; or (b) any country which is the subject of sanctions by any Authority. For the purposes hereof, "**SDN List**" means the Specially Designated Nationals List maintained by the Office of Foreign Assets Control of the US Department of the Treasury, or any similar list maintained by any Authority; and "**Authority**" means any relevant government, agency or legislature in the U.S., the U.K., the European Union or its member states, or respective agencies/authorities, including but not limited to: the U.S. Treasury Department's Office of Foreign Asset Control (OFAC), the U.S. State Department, the United Nations Security Council, and Her Majesty's Treasury.

## LivaNova PLC Italian branch

### /s/ Valeria Bizzozero

Name: Valeria Bizzozero

Title: Director Consolidated Accounting

### /s/ Cesare Antoniazzi

Name: Cesare Antoniazzi

Title: Director Tax

For the purposes of Articles 1341 and 1342 of the Italian Civil Code, we approve specifically the following clauses: 1 (*Purpose and limitations on the Bank's liability*), 2 (*Fees*), 3 (*Indemnity*), 4 (*Waiver of objections*), 5 (*Monetary compliance of the transaction*), 6 (*Communications*), 7 (*Right to revoke the credit line granted and possible cash collateral*), 8 (*Claims and extrajudicial resolution of disputes*), 9 (*Applicable law and competent jurisdiction*) and 10 (*Amendments to the Guarantee*).

## LivaNova PLC Italian branch

### /s/ Valeria Bizzozero

Name: Valeria Bizzozero

Title: Director Consolidated Accounting

### /s/ Cesare Antoniazzi

Name: Cesare Antoniazzi

Title: Director Tax

## APPENDIX A – GUARANTEE

|   |  |
|---|--|
| [data di emissione]   | [date of issue]  |
| <b>Da: Barclays Bank Ireland PLC – Sede Legale: One Molesworth Street, Dublino 2, Irlanda, D02 RF29 – Sede Secondaria: via della Moscova 18, 20121 Milano</b> | <b>From: Barclays Bank Ireland PLC - Registered office: One Molesworth Street, Dublin 2, Ireland, D02 RF29. Secondary office: Via della Moscova 18 – 20121 Milan</b> |
| <b>A: il Ministero della Transizione Ecologica, la Presidenza del Consiglio Dei Ministri, il Ministero dell'economia e delle Finanze</b>                      | <b>To: The Italian Ministry of Ecological Transition, the Prime Minister office, the Ministry of Economy and Finance</b>   |

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| <p>Oggetto: Fideiussione a prima richiesta numero:<br/>_____</p> <p><b>PREMESSO CHE</b></p> <ol style="list-style-type: none"> <li>1. Con ordinanza del 21 febbraio 2022 nel procedimento n. 3282/21 (l'“Ordinanza”) la Corte d'appello di Milano ha disposto la sospensione dell'esecutività della sentenza n. 3294/2021 (la “Sentenza”), con cui la medesima Corte d'appello ha condannato LivaNova PLC, società di diritto inglese con sede a 20 Eastbourne Terrace, London W2 6LG United Kingdom (il “Debitore”) a versare l'importo di Euro 453.587.327,48, oltre interessi a favore del Ministero della transizione ecologica (C.F. 80188210589), la Presidenza del Consiglio dei Ministri (C.F. 80188230587); il Ministero dell'economia e delle Finanze (C.F. 80207790587) (congiuntamente, il “Beneficiario”); la Sentenza è stata impugnata dal Debitore con ricorso in Corte di Cassazione (iscritto a ruolo sub RG n. 31634/21)</li> <li>2. Nell'Ordinanza, la Corte d'appello di Milano <i>“subordina la sospensione dell'efficacia esecutiva della sentenza n. 3294 emessa dalla Corte di Appello di Milano in data 28 ottobre 2021, pubblicata il 12 novembre 2021, alla consegna di cauzione, all'Avvocatura Distrettuale dello Stato di Milano, quale difensore ex lege delle parti costituite, da parte di LivaNova PLC, mediante fideiussione a prima richiesta, che dovrà essere rilasciata da parte di primario Istituto Bancario, per euro 270.000.000,00, con efficacia sino alla conclusione del giudizio di legittimità, entro trenta giorni</i></li> </ol> | <p>Subject: First Demand Bank Guarantee Number:<br/>_____</p> <p><b>WHEREAS</b></p> <ol style="list-style-type: none"> <li>1. By an order issued on 21 February 2022 in the proceedings no. 3282/2021 (the “Order”) the Court of Appeals of Milan decided for the stay of the enforceability of judgement no. 3294/2021 (the “Decision”), whereby the same Court of Appeals of Milan condemned LivaNova PLC a company organized and existing under the Laws of England, having its registered office at 20 Eastbourne Terrace, London W2 6LG United Kingdom (the “Debtor”) to pay the amount of Eur 453,587,327.48 in favor of the Ministry of Ecological Transition (Tax Code 80188210589), the Prime Minister Office (Tax Code 80188230587), Ministry of Economy and Finance (Tax Code 80207790587) (all together, the “Beneficiary”); the Decision has been challenged by the Debtor before the Supreme Court (case enrolled with docket no. 31634/21)</li> <li>2. In the Order, the Court of Appeal of Milan declared <i>“the suspension of the enforceability of judgement no. 3294 issued by the Court of Appeal of Milan on October 28, 2021, published on November 12, 2021 is subject to the delivery of a bond, to the District State Attorney of Milan, as lawyer ex lege of the parties, from LivaNova PLC, by means of a first-demand surety, to be issued by a primary bank, for EUR 270,000,000.00, effective until the end of the proceeding before the Supreme Court, within thirty days starting from the communication of this order”</i>.</li> </ol> |
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| <p>dalla comunicazione della presente ordinanza”</p> <p>3. La banca, come di seguito indicata, ha dato la propria disponibilità a fornire una fideiussione a prima richiesta (la “<b>Fideiussione</b>”) nei termini di seguito indicati, a favore del Beneficiario.</p> <p><b>TUTTO CIO PREMESSO</b></p> <p>La sottoscritta Barclays Bank Ireland PLC, rappresentata da [●] nella sua qualità di [●], munito dei necessari poteri (il “<b>Fideiussore</b>”), si impegna come segue.</p> <p>a. Le premesse sono parte integrante e sostanziale della presente Fideiussione</p> <p>b. Con la presente Fideiussione il Fideiussore si costituisce irrevocabilmente fideiussore a favore del Beneficiario, nei limiti dell’Importo Massimo Garantito (come di seguito definito), a garanzia del corretto e puntuale adempimento da parte del Debitore, dei suoi successori o aventi causa, dell’obbligo di pagamento ai sensi della Sentenza</p> <p>c. La Fideiussione è prestata fino alla concorrenza dell’importo massimo onnicomprensivo di Euro 270.000.000,00 ai sensi e per gli effetti dell’articolo 1938 del Codice Civile ove applicabile (l’“<b>Importo Massimo Garantito</b>”)</p> <p>d. Il Fideiussore dichiara espressamente di rinunciare al beneficio della preventiva escussione del Debitore quale debitore principale</p> <p>e. Ogni richiesta di pagamento del Beneficiario dovrà:</p> <ul style="list-style-type: none"> <li>– essere trasmessa per iscritto</li> <li>– indicare il numero e la data della Fideiussione</li> <li>– indicare la somma richiesta</li> </ul> | <p>3. The bank, as indicated below, has given its availability to provide a first-demand guarantee (the “<b>Guarantee</b>”), in accordance with the terms hereof, in favor of the Beneficiary.</p> <p style="text-align: center;"><b>ALL THAT BEING SAID</b></p> <p>The undersigned Barclays Bank Ireland PLC, duly represented by [●], in his capacity as [●], endowed with the necessary powers (the “<b>Guarantor</b>”), hereby undertakes the following obligations.</p> <p>a. The foregoing is an integral and substantial part of this Guarantee;</p> <p>b. By this Guarantee, the Guarantor irrevocably declares to become guarantor, in favor of the Beneficiary, within the limits of the Maximum Guaranteed Amount (as identified hereof), and guarantees the exact and timely fulfillment, by the Debtor, its successor and assignees, of the obligation to pay pursuant to the Decision</p> <p>c. The Guarantee is granted for an amount not exceeding in total Euros 270,000,000.00 pursuant to Article 1938 of the Italian Civil code to the extent applicable (the “<b>Maximum Guaranteed Amount</b>”)</p> <p>d. The Guarantor expressly declares to waive his right to compel the Beneficiary, as suing creditor, to sue the Debtor as first debtor</p> <p>e. Any request for payment from the Beneficiary must:</p> <ul style="list-style-type: none"> <li>– Be served in writing</li> <li>– State the reference number and the date of this Surety</li> <li>– State the amount of payment demanded</li> <li>– State the name of the bank of the Beneficiary and the account number</li> </ul> |
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| <p>- indicare il nome della banca del Beneficiario e le coordinate bancarie per il pagamento (la "Richiesta")</p> <p>f. Il Fideiussore si obbliga ad effettuare il pagamento al Beneficiario entro 5 giorni lavorativi dalla ricezione della Richiesta. Il Fideiussore farà affidamento esclusivamente sulla Richiesta senza possibilità di sollevare contestazioni e non dovrà effettuare alcuna ulteriore verifica o controllo in merito a quanto riportato nella stessa</p> <p>g. Nei limiti dell'Importo Massimo Garantito, la presente Fideiussione potrà essere escussa più volte, fermo restando che ad ogni escussione parziale l'Importo Massimo Garantito verrà corrispondentemente ridotto;</p> <p>h. In espressa deroga all'articolo 1945 del Codice Civile, il Fideiussore non opporrà al Beneficiario nessuna eccezione, prima di aver integralmente versato al Beneficiario quanto indicato nella Richiesta</p> <p>i. La Fideiussione rimarrà in vigore sino alla conclusione del giudizio di legittimità, e cioè fino alla pubblicazione della sentenza che verrà emessa nel procedimento Cass. Civ. R.G. n. 31634/2021, concernente l'impugnazione della Sentenza n. 3294/21.</p> <p>j. Il Fideiussore dichiara quanto segue:</p> <ul style="list-style-type: none"> <li>- è una banca validamente costituita ed esistente in conformità alle disposizioni di legge applicabili</li> <li>- è in possesso delle autorizzazioni necessarie allo svolgimento della propria attività con particolare riguardo alla emissione della Fideiussione in conformità alle applicabili disposizioni di legge</li> </ul> <p>k. Qualsiasi comunicazione ai sensi della presente Fideiussione dovrà essere</p> | <p>where this payment must be carried out (the "Request")</p> <p>f. The Guarantor undertakes to pay the Beneficiary within 5 working days from the receipt of the Request. The Guarantor shall rely exclusively on the Request of the Beneficiary without raising objections and shall not carry out any further enquiries or checks as regards the content of the same</p> <p>g. Within the limits of the Maximum Guaranteed Amount, the Guarantee can be cashed several times, it being understood that after each payment the Maximum Guaranteed Amount shall be reduced accordingly;</p> <p>h. Expressly derogating to Article 1945 of the Italian Civil Code, the Guarantor shall not raise any exceptions towards the Beneficiary before having paid to the Beneficiary the total amount identified in the Request</p> <p>i. The Guarantee will be effective until the end of the proceeding before the Supreme Court, i.e. until the publication (<i>pubblicazione</i>) of the judgment to be issued within the proceeding Cass. Civ. R.G. no. 31634/2021, dealing with the challenge of the Decision no. 3294/21</p> <p>j. The Guarantor represents the following:</p> <ul style="list-style-type: none"> <li>- it is a bank duly incorporated and existing in accordance with the applicable provisions of law</li> <li>- it is endowed with the authorizations which are necessary to carry out its activities and in particular the issuance of the Surety, in accordance with the applicable provisions of law</li> </ul> <p>k. All communications pursuant to the Guarantee shall take place in writing by certified email address to the following certified email address:</p> <ul style="list-style-type: none"> <li>- to the Guarantor: <a href="mailto:trade_asf@pec.ie.barclays">trade_asf@pec.ie.barclays</a></li> </ul> |
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| <p>effettuata per iscritto a mezzo pec ai seguenti indirizzi:</p> <p>Se al Fideiussore: a <a href="mailto:trade_asf@pec.ie.barclays">trade_asf@pec.ie.barclays</a><br/>All'attenzione di Trade Middle Office Italy</p> <p>Se al Beneficiario:</p> <ul style="list-style-type: none"><li>- Al Ministero della Transizione Ecologica, all'indirizzo pec <a href="mailto:MITE@pec.mite.gov.it">MITE@pec.mite.gov.it</a></li><li>- All'avvocatura Distrettuale di Milano, all'indirizzo pec <a href="mailto:ads.mi@mailcert.avvocaturastato.it">ads.mi@mailcert.avvocaturastato.it</a>, all'attenzione dell'avv. Francesco Vignoli</li></ul> <p>l. Qualunque spesa, imposta, onere o tassa relativa alla presente Fideiussione sarà interamente a carico del Debitore</p> <p>m. La presente Fideiussione è personale e non trasferibile dal Beneficiario.</p> <p>n. La Fideiussione è retta dal diritto italiano. Per qualsiasi controversia relativa alla presente Fideiussione sarà competente in via esclusiva il Foro di Milano</p> <p>o. La Fideiussione è stata redatta in lingua italiana e inglese. In caso di qualsiasi contrasto tra le due versioni, prevarrà la versione in lingua italiana</p> <p>[nome della banca] [firma]</p> | <p>to the kind attention of Trade Middle Office Italy</p> <ul style="list-style-type: none"><li>- to the Beneficiary: The Italian Ministry of Ecological Transition, certified email: <a href="mailto:MITE@pec.mite.gov.it">MITE@pec.mite.gov.it</a></li><li>- To the District State Legal Service in Milan, to the certified email <a href="mailto:ads.mi@mailcert.avvocaturastato.it">ads.mi@mailcert.avvocaturastato.it</a>, to the kind attention of Francesco Vignoli</li></ul> <p>l. All costs, fees, charges or taxes related to the Guarantee shall be paid by the Debtor</p> <p>m. The Guarantee is personal and cannot be transferred or assigned by the Beneficiary.</p> <p>n. The Guarantee is governed by and construed in accordance with the laws of Italy. Any dispute arising in connection with the Guarantee shall be settled exclusively by the Court of Milan</p> <p>o. The Guarantee has been drawn up in Italian and English. In the event of any conflict between the two versions, the Italian version will prevail</p> <p>[name of bank] [Signed]</p> <p>by]</p> |
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## LivaNova PLC Italian branch

### **/s/ Valeria Bizzozero**

Name: Valeria Bizzozero

Title: Director Consolidated Accounting

### **/s/ Cesare Antoniazzi**

Name: Cesare Antoniazzi

Title: Director Tax

To:  
**Barclays Bank Ireland PLC**  
**Italy Branch**  
Via della Moscova, 18  
20121 - Milan  
Italy

To the attention of: Mr Stefano Da Ros

Via certified email (PEC): [cbfrontoffice@pec.ie.barclays](mailto:cbfrontoffice@pec.ie.barclays)

Milan, 18<sup>th</sup> March 2022

Dear Sirs,

**Re: Pledge Agreement**

Following our conversations, we hereby propose to you to enter into a pledge agreement, to be executed by way of exchange of commercial correspondence, pursuant to the terms and conditions set forth here below.

\* \* \*

**PLEDGE AGREEMENT**

- (1) **LivNova PLC**, a public limited company incorporated and registered in England and Wales with company number 09451374 whose registered office is at 20 Eastbourne Terrace, London, W2 6LG, acting by way of its Italian branch, having its secondary seat in Milano, Via Benigno Crespi no. 17, number of registration with the Companies' Register of Milano-Monza-Brianza-Lodi, fiscal code and VAT number 09167120964, REA no. MI - 2073116 (the "**Pledgor**");
- (2) **Barclays Bank Ireland PLC**, a wholly owned subsidiary of Barclays Bank PLC acting through its corporate bank division, a public limited company incorporated under the laws of Ireland, having its registered office in Dublin 2, One Molesworth Street, authorised and regulated by Central Bank of Ireland, number of registration 396330, acting through its Italian branch, having its registered office in Milano, Via della Moscova no. 18, number of registration with the Companies' Register of Milano-Monza-Brianza-Lodi, fiscal code and VAT number 10508010963, REA no. 2536712, share capital resolved for Euro 5,000,000,000, subscribed and paid for Euro 898,668,734, enrolled under no. 8082 in the banks' register held by Bank of Italy ("**Barclays**"), in its capacity as secured creditor (the "**Secured Creditor**") and as account bank (the "**Account Bank**").

The Pledgor and the Secured Creditor are hereinafter collectively referred to as the "**Parties**" and each a "**Party**". The Account Bank enters into this Agreement (as defined below) for the purposes of Clause 2.5.

**RECITALS**

- (A) On 15<sup>th</sup> March 2022, Barclays granted to the Pledgor a credit line for an amount equal to Euro 270,000,000 (two hundred seventy million) (the "**Credit Line**"), pursuant to which Barclays as guarantor issued a bond or guarantee dated 18<sup>th</sup> March 2022 (the "**Bond**") in favour of *Ministero della transizione ecologica* (fiscal code: 80188210589), *Presidenza del Consiglio dei Ministri* (fiscal code: 80188230587) and *Ministero dell'economia e delle Finanze* (fiscal code: 80207790587) as beneficiaries as identified therein (the "**Beneficiaries**").

- (B) In connection with the Bond issued by Barclays, the Pledgor issued a letter of indemnity dated 18<sup>th</sup> March 2022 in favour of Barclays (the "**Letter of Indemnity**").
- (C) As of the date hereof, the Pledgor has opened and maintains the bank account IBAN IT57V0305101699000078389328 held with the Account Bank (the "**Account**") and the Pledgor has deposited the Cash Collateral Amount (as defined below) into the Account.
- (D) In order to secure the Secured Obligations (as defined below), the Pledgor has agreed to pledge the Pledged Collateral (as defined below) in accordance with the terms and upon the conditions of this agreement.

**NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS.**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Recitals and Schedules**

The Recitals set out above, and the Schedules hereto, shall form an integral and substantial part of this Agreement.

**1.2 Definitions**

The terms listed below shall, for the purpose of this Agreement, have the following meaning:

"**Account**" has the meaning ascribed to it in Recital (C);

"**Account Bank**" has the meaning ascribed to it in the Preamble;

"**Affiliate**" means, with respect to a specified person, another person that directly or indirectly Controls or is Controlled by or is under common Control with the person specified;

"**Agreement**" means this pledge agreement over the Pledged Collateral;

"**Bankruptcy Law**" has the meaning set out in the definition of "Insolvency Proceeding".

"**Beneficiaries**" has the meaning ascribed to it in Recital (A);

"**Bond**" has the meaning ascribed to it in Recital (A);

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in Milan and Dublin and which is a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system (TARGET2) is open for the settlement of payments in Euro;

"**Cash Collateral Amount**" means an amount in US dollars equal to 105% (one hundred and five per cent) of the amount of the Credit Line in Euro, as indicated in Recital (A) above, determined by applying the Currency Rate Conversion as of the Signing Date;

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, or the dismissal or appointment of the management, of a person through the ability to exercise voting power. "**Controlling**" and "**Controlled**" have meanings correlative thereto.

"**Credit Line**" has the meaning ascribed to it in Recital (A);

"**Currency Rate Conversion**" means the EUR/USD spot rate of exchange published on il Sole 24 Ore on the date on which the Currency Rate Conversion is to be determined for

the purpose of Clause 5.2, or, where no such rate is published for such date, at another publicly reported rate of exchange selected by the Account Bank in consultation with the Pledgor.

**"Decree 170"** means the Italian Legislative Decree No. 170 of 21 May 2004 concerning the financial collateral (*Attuazione della direttiva 2002/47/CE, in materia di contratti di garanzia finanziaria*), as amended and supplemented from time to time;

**"Effective Period"** means the period between the Signing Date and the date on which the Secured Creditor is no longer liable to make any payment under the Bond and any amount due from the Pledgor under, or in connection with, the Finance Documents has been fully and irrevocably paid to the Secured Creditors;

**"Enforcement Event"** means (i) the commencement of an Insolvency Proceeding in respect of the Pledgor or (ii) any non-payment of amounts due by the Pledgor to the Secured Creditors under any Finance Document;

**"Expiry Date"** has the meaning ascribed to it in Clause 9.1;

**"Finance Documents"** means (i) the two letters executed, respectively, by the Pledgor on 2<sup>nd</sup> March 2022 and by Barclays on 15<sup>th</sup> March 2022, under which the Credit Line has been granted to the Pledgor, (ii) the Letter of Indemnity executed on the date hereof in relation to the Bond and (iii) this Agreement;

**"Insolvency Event"** means, in relation to the Pledgor, any of the following events:

- (a) it is unable to pay its debts as they fall due; or
- (b) it is, or is declared (following observance of due process of law) for the purposes of any law applicable to it, insolvent, or expressly admits in writing its inability to pay all or a substantial part of all of its debts as they fall due; or
- (c) it suspends making payments on all or substantially all of its debts or announces an intention to do so; or
- (d) by reason of proven financial difficulties, it begins negotiations with one or more of its creditors to readjust or reschedule any of its indebtedness; or
- (e) it has voluntarily commenced a proceeding under the applicable insolvency and/or bankruptcy laws as now constituted or hereafter amended, or any other applicable foreign, federal, provincial, state or local bankruptcy, insolvency or other similar law, including, inter alia, a request for judicial or out of court reorganisations or winding-up proceedings; or
- (f) has instituted against it by any person (including a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction of its head or home office) a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition:
  - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
  - (ii) is not dismissed, discharged, stayed or restrained in each case within 60 days of the institution or presentation thereof; or
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied,

enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 60 days thereafter;

**"Insolvency Proceedings"** means, in relation to the Pledgor:

- (h) it has voluntarily commenced a proceeding under the applicable insolvency and/or bankruptcy laws as now constituted or hereafter amended, or any other applicable foreign, federal, provincial, state or local bankruptcy, insolvency or other similar laws (a **"Bankruptcy Law"**);
- (i) a judicial order for the winding-up, liquidation, administration or insolvency proceeding under a Bankruptcy Law is made, or a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect to all or substantially or assets of the Pledgor is appointed, which is not discharged, stayed or dismissed within 60 days within commencement or appointment thereof;

**"Italian Bankruptcy Law"** means the Italian bankruptcy law set out in Royal Decree No. 267 of 16 March 1942, as from time to time amended and/or supplemented, or any law or regulation intended to replace it or which has the same purposes and/or effects as such legislation as implemented in Italy from time to time, including the Code of Crisis and Insolvency (*Codice della Crisi di Impresa e dell'Insolvenza*) pursuant to Italian Legislative Decree No. 14 of 12 January 2019 aimed at implementing Italian Law No. 155 of 19 October 2017 starting from the date on which Royal Decree No. 267 of 16 March 1942, as amended and/or supplemented from time to time, becomes ineffective;

**"Italian Civil Code"** means Royal Decree No. 262 of 16 March 1942, as amended and supplemented from time to time;

**"Italian Code of Civil Procedure"** means Royal Decree No. 1443 of 28 October 1940, as amended and supplemented from time to time;

**"Legal Reservations"** means:

- (j) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, bankruptcy, reorganization and other laws generally affecting the rights of creditors;
- (k) the time barring of claims under applicable statutes of limitation, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defenses of set-off or counterclaim; and
- (l) similar principles, rights and defenses under the laws of any relevant jurisdiction;

**"Letter of Indemnity"** means has the meaning ascribed to it in Recital (B);

**"Mediation Decree"** has the meaning ascribed to it in Clause 17.

**"Mediation Rules"** has the meaning ascribed to it in Clause 17.

**"Permitted Security"** means:

- (m) any security interest created pursuant to this Agreement;
- (n) any security interest securing the obligations under the credit agreement entered into by the Pledgor and its subsidiary LivaNova USA, Inc., on the one side, and Goldman Sachs Bank USA, as administrative agent and collateral agent, the lenders

and the other parties thereto on August 13, 2021, as from time to time amended, supplemented and/or restated (including by way of incremental amendments) (the "**RCF**"), as well as any modification, refinancing, refunding, renewal or extension thereof; and

- (o) any security interest arising by operation of law and in the ordinary course of trading.

**"Pledge"** means the pledge over the Pledged Collateral granted in favour of the Secured Creditor pursuant to Clause 2 (*Pledge*) of this Agreement according to Italian law, including Decree 170, governed and regulated by the same laws and the provisions of this Agreement;

**"Pledged Collateral"** means:

- (a) the Cash Collateral Amount;
- (b) any existing and future right on the Account (including any right to receive any balance standing from time to time to the Account); and
- (c) any amount standing from time to time to the credit of the Account (including all the future payments made by third parties or by order of the Pledgor on the Account);

**"Pledgor"** has the meaning ascribed to it in the Preamble;

**"Secured Creditors"** means Barclays and any of its assignees and/or transferees;

**"Secured Obligations"** means all existing, future, conditional or potential monetary obligations due from time to time by the Pledgor towards the Secured Creditors under, or in connection with, the Finance Documents, including, without limitation:

- (a) any obligation of the Pledgor to pay to the Secured Creditors (i) any amount owed to the Secured Creditors in connection with the Credit Line, and/or (ii) any indemnity owed to the Secured Creditors under the Letter of Indemnity, and/or (iii) any amount owed to the Secured Creditors in connection with any of the Finance Documents;
- (b) any obligation to pay interest, including contractual interest and/or default interest, accrued pursuant to the Finance Documents or by operation of law;
- (c) any payment obligation relating to expenses, commissions, fees, charges or taxes, under or relating to the Finance Documents;
- (d) any payment obligations deriving from the invalidity or ineffectiveness of any payments made under the Finance Documents, including, without limitation, the payment obligation according to article 2033 and 2041 of the Italian Civil Code or similar provisions as applicable under any applicable jurisdiction;
- (e) any obligation of the Pledgor arising from the Finance Documents to reimburse costs, Taxes and expenses, including legal fees, incurred by the Secured Creditors in connection with or pursuant to the Finance Documents as well as in connection with the enforcement of the Pledge;
- (f) any payment obligation due as a compensation for damages arising from the Finance Documents; and
- (g) any reimbursement obligation deriving from, or which may be a consequence of (even if occurred after the date of exact and unconditional fulfilment of all

obligations indicated under letters (a), (b), (c), (d), (e) and (f) above), any revocation, claw back or declaration of ineffectiveness or unenforceability, also in accordance with the provisions of a Bankruptcy Law, or in accordance with the equivalent law in force in the country of the foreign third party that has fulfilled one or more of the obligations of the Pledgor, of one or more payments made by the Pledgor, or any of the abovementioned third parties indicated above, to fulfil one or more of the obligations of the Pledgor in accordance with or pursuant to the Finance Documents,

it being expressly agreed that if one or more of the obligations described under letters (a), (b), (c), (d), (e), (f) or (g) above is declared invalid or ineffective for any reason, or if the Pledge cannot or can no longer secure, for any reason, one or more of the obligations described under letters (a), (b), (c), (d), (e), (f) or (g) above, the validity and effectiveness of the Pledge shall not be prejudiced, and the Pledge shall continue to secure the exact, unconditional and irrevocable fulfilment of all the other obligations specified above;

**"Signing Date"** means the date on which this Agreement is entered into, being the date on which the proposing Party receives notice of acceptance of this Agreement from the accepting Party;

**"Tax"** or **"Taxes"** means all forms of present and future taxation, duties, levies, imposts and social security charges, including, without limitation, corporate income tax, value added tax, registration taxes and stamp duties, legal transaction taxes and any other type of taxes or duties imposed by any department, agency or other political subdivision or taxing authority, and all interest, penalties, surcharges or fines; and **"Taxation"** shall be construed accordingly;

**"Transferee"** has the meaning ascribed to it in Clause 13.2;

**"Transparency Rules"** has the meaning ascribed to it in Clause 15.

### 1.3 Interpretation

(a) In this Agreement, unless the contrary intention appears, a reference to:

- (i) all references made to **"Paragraphs"** and **"Clauses"**, if capitalised, must be intended as referring to paragraphs and clauses of this Agreement;
- (ii) an **"agreement"**, **"deed"** or **"document"** shall be construed as a reference to such agreement, deed or document as from time to time amended or supplemented in accordance with its terms or replaced by another agreement having similar effect;
- (iii) an **"amendment"** includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and amended shall be construed accordingly;
- (iv) **"disposal"** means a sale, transfer, assignment, grant, lease, license, declaration of trust or other disposal, whether voluntary or involuntary, and dispose shall be construed accordingly;
- (v) a default (other than an event of default) is **"outstanding"** if it has not been remedied or waived and an event of default is **"outstanding"** if it has not been waived;



- (vi) **"including"** or **"in particular"** is to be construed as being by way of illustration or emphasis and not limiting or prejudicial to the generality of any foregoing words;
  - (vii) **"proven"** is to be construed as a reference to a document, deed, certificate, or to information which effectively demonstrate existence of the alleged facts;
  - (viii) a **"person"** means an individual, a corporation, a company, an entity, a voluntary association, a partnership, a trust, an unincorporated organisation or a government or any agency, instrumentality or political subdivision thereof;
  - (ix) a currency is a reference to the lawful currency for the time being of the relevant country;
  - (x) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation; and
  - (xi) a Party or any other person (including the Secured Creditors, the Pledgor and the Account Bank) shall be construed as a reference to such party or person and their respective successors in title (*successore a titolo universale e/o particolare*) and/or assignees in any capacity whatsoever (including, as the case may be, the person or persons resulting from any conversion, merger, demerger, transfer of business or any other title or assignment of credit and/or agreement entered into by such persons, subject to the provisions of this Agreement and the Finance Documents).
- (b) The Parties shall always exercise their discretionary rights and powers and perform the obligations arising out in connection with this Agreement, in good faith, on arm's length commercial terms and acting reasonably.
  - (c) Unless the contrary intention appears, a reference to a Party shall not include that Party if it has ceased to be a Party under this Agreement.
  - (d) The headings in this Agreement do not affect its interpretation.

## 2. PLEDGE

- 2.1 The Pledgor, pursuant to Italian Civile Code, Decree 170 and article 2800 et seq. of Italian Civil Code, hereby irrevocably grants a first ranking pledge over the Pledged Collateral in favour of the Secured Creditor, who accepts.
- 2.2 The Pledged Collateral is pledged as security for punctual performance by the Pledgor of all the Secured Obligations.
- 2.3 The Pledge is to be an autonomous security interest and in addition to, and without prejudice to, any other security interest or guarantee which the Secured Creditors may now or hereafter hold in respect of the Secured Obligations and may be enforced in accordance with the provisions of this Agreement and by law without any prior enforcement of other security interests granted to secure the Secured Obligations.
- 2.4 Subject to Clause 5.2(b), the Pledgor shall in no event be entitled to withdraw amount from the Account until the Expiry Date. The Parties agree and acknowledge that, considering the fungible nature of the Pledged Collateral, the amount standing from time to time to the credit of the Account shall be at free and full disposal and ownership of the Secured Creditors, which may freely dispose of the Pledged Collateral with the sole obligation to return the *tantundem* on the Expiry Date.

2.5 Without prejudice to its rights as Secured Creditor, by signing this Agreement, the Account Bank expressly agrees and accepts the Pledge created hereunder and undertakes to register the latter in its registers, also pursuant to Article 2 of Decree 170.

3. **FURTHER ASSURANCE**

- (a) The Pledgor shall promptly (and at its own expense) do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Secured Creditors may reasonably specify (and in such form as the Secured Creditors may reasonably require in favour of the Secured Creditors or its nominee(s)):
  - (i) to perfect the security created or intended to be created under or evidenced by this Agreement or for the exercise of any rights, powers and remedies of the Secured Creditors or any receiver provided by or pursuant to this Agreement or by law; and/or
  - (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the security created by this Agreement.
- (b) The Pledgor shall take all such action (including making all filings and registrations) as the Secured Creditors may reasonably request for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Secured Creditors by or pursuant to this Agreement.

4. **REPRESENTATIONS AND WARRANTIES**

4.1 The Pledgor represents and warrants the following:

- (a) the Pledgor is a public limited company, duly incorporated and validly existing under the laws of England and Wales, and has the power to own its assets and carry on its business as it is being conducted;
- (b) the Pledgor has the powers and capacity to enter into, perform and deliver, and has taken all necessary actions and resolutions to authorise its entry into, performance and delivery of, this Agreement and all the transactions contemplated in this Agreement and to pledge the Pledged Collateral pursuant to this Agreement;
- (c) all authorisations required to enable the Pledgor lawfully to enter into, exercise its rights and comply with its obligations pursuant to this Agreement have been obtained or effected and are in full force and effect;
- (d) the entry into and performance by the Pledgor of, and the transactions contemplated by, this Agreement and the granting of the Pledge pursuant to the terms and conditions of this Agreement do not (i) conflict with any law or regulation applicable to it (or any provision having the binding force of law), any judgement, decree or other judicial, arbitration panel or administrative ruling applicable to it, (ii) conflict with its constitutional documents, or (iii) conflict with any agreement or instrument binding upon it or any of its assets, or (iv) constitute a default or termination event (however described) under any such agreement or instrument in any event to the extent the agreements or instruments referred to under (iii) or (iv) above may affect the validity and enforceability of the Pledge and/or may have a material adverse effect on its operations assets or properties;
- (e) the Pledgor is not insolvent or subject to any Insolvency Proceeding and no Insolvency Event has occurred;

- (f) the Pledgor is the sole owner of, and has full title to, the Pledged Collateral, which is free and clear of any restriction, charge, encumbrance, lien, in rem security or security interest, except for any Permitted Security;
- (g) the Permitted Security do not affect the ability of the Pledgor to grant the Pledge over the Pledged Collateral in accordance with the provisions of this Agreement or the validity or enforceability of the Pledge by the Secured Creditors in accordance with the provisions of this Agreement;
- (h) the Pledged Collateral is not subject to any attachments, seizure or other measure restraining the capacity to dispose thereof;
- (i) subject to the provisions of the Italian Bankruptcy Law, only to the extent applicable, and any other applicable insolvency and/or Bankruptcy Law limiting the rights of creditors generally and to the Legal Reservations, the obligations assumed by Pledgor under this Agreement shall be fully valid, effective and binding;
- (j) there are no legal actions, administrative, judicial or arbitration panel or similar proceedings, including any proceedings of an urgent nature, in relation to the Pledged Collateral, before any judicial authority, arbitration panel or any other Italian or foreign authority which could adversely affect the rights of the Secured Creditor created hereunder;
- (k) subject to completion of the perfection formalities set out under Clause 2.5 above, the Pledge granted pursuant to this Agreement shall give rise to a valid and enforceable first ranking security interest to secure the punctual performance of the Secured Obligations.

4.2 The Pledgor expressly acknowledges that should any of the representations and warranties made by it pursuant to Clause 4.1 above prove to be, in whole or in part, untrue, incomplete or incorrect as of the date on which such representations and warranties are deemed to be made, this shall constitute a material breach of this Agreement and of the Credit Line and shall entitle the Secured Creditors to avail themselves of all remedies provided by law and/or this Agreement.

## 5. UNDERTAKINGS OF THE PLEDGOR

5.1 In addition to the obligations undertaken by the Pledgor under the Finance Document to which it is a party, the Pledgor undertakes, at its own costs, to the Secured Creditors the following:

- (a) as soon as practicable, send to the Secured Creditor the executed proposal of this Agreement in original;
- (b) not to take any action that would directly or indirectly affect the validity, effectiveness or enforceability of the Pledge pursuant to the terms and conditions of this Agreement or prejudice or prevent the exercise of the rights or powers of the Secured Creditors arising from the Agreement;
- (c) to promptly take any action which is reasonably requested by the Secured Creditors to protect the validity, effectiveness and enforceability of the Pledged Collateral or admissibility in evidence in its jurisdiction of incorporation;
- (d) to cooperate with the Secured Creditors, to the extent this is deemed necessary or appropriate in the reasonable judgment of the Secured Creditors, in order to protect the right, title and security interest of the same in and to the Pledged Collateral against the claims of any third party;

- (e) subject to Clause 5.2(b), not to dispose of the Pledged Collateral or create or suffer to exist any restriction, charge, encumbrance, lien, in rem security, security interest on the Pledged Collateral, except for any Permitted Security provided that any such Permitted Security shall not affect the ability of the Pledgor to grant the Pledge over the Pledged Collateral in accordance with the provisions of this Agreement or the validity or enforceability of the Pledge by the Secured Creditors in accordance with the provisions of this Agreement;
- (f) to ensure that the amount standing to the credit of the Account is at least equal to the Cash Collateral Amount to the extent and in the manner required by Clause 5.2;
- (g) at the time specified by the Secured Creditors and in any event as soon as practicable, to execute and deliver all further deed, contract, document, agreement and/or certificate and take all further actions that may be deemed necessary by the Secured Creditors, in its reasonable judgment, or by the applicable law, in order to promptly perfect and/or protect the security interest created by this Agreement;
- (h) promptly upon becoming aware of them, to send to the Secured Creditors the details of any written claim or legal action, petition, seizure or attachment, commencement of verifications, inspections, litigations, arbitration panels, administrative proceedings or similar procedures of any nature, in Italy or abroad, which are current, threatened in writing or pending and related to the Pledged Collateral, which could adversely affect the rights of the Secured Creditors created hereunder; and
- (i) to indemnify and hold harmless from any and all charges, costs and/or expenses that may be incurred by the Secured Creditors as a result of the revocation, in bankruptcy or otherwise, for any reason whatsoever, of one or more payments made by the Pledgor or any third party to the Secured Creditors under the Secured Obligations pursuant to the Finance Documents.

5.2 For the purposes of Clause 5.1(f) above, on a fortnightly basis, the Account Bank shall determine the Currency Rate Conversion and shall inform the Pledgor in writing about the results. Further to such determination:

- (a) if, by applying the Currency Rate Conversion, the USD amount standing to the credit of the Account is lower than the Cash Collateral Amount, within 5 (five) Business Days from Pledgor's receipt of the Secured Creditors' written request, the Pledgor shall pay the shortfall into the Account, thus causing the deposited amount to equal the Cash Collateral Amount;
- (b) if, by applying the Currency Rate Conversion, the USD amount standing to the credit of the Account is greater than the Cash Collateral Amount, anything in this Agreement notwithstanding, the Pledgor shall be entitled to withdraw or dispose of the excess.

Amount further deposited into the Account to form the Cash Collateral Account shall be deemed included in the Cash Collateral Amount since the date of this Agreement also in accordance with the provisions of article 7 of Decree 170.

6. **CONTINUATION OF THE PLEDGE**

- (a) Pursuant to Articles 1232 and 1275 of Italian Civil Code, the Parties hereby expressly agree that the Pledge shall remain in full force and effect in the case of any novation (*novazione oggettiva* and/or *novazione soggettiva*) of one or more Secured Obligations.

- (b) To the maximum extent possible and without prejudice to paragraph (a) above, the Parties expressly agree and acknowledge that, for the purposes of the Pledge, any transfer, in whole or in part, of the Finance Documents are and shall be considered as being cases of *cessione totale o parziale del contratto* and/or *cessione del credito*, as the case may be, and therefore they shall never entail a novation (*novazione*) of the Secured Obligations or of the Finance Documents nor the replacement of the Pledge with a new security interest.
- (c) Without prejudice to the provisions of paragraph (a) above, in any case of:
- (i) objective novation (*novazione oggettiva*) of one or more Secured Obligations;
  - (ii) subjective novation (*novazione soggettiva*) of one or more Secured Creditor;
  - (iii) transfer, in whole or in part, of the rights or obligations under the Finance Documents; or
  - (iv) transfer, in whole or in part, of the Pledged Collateral or replacement of the Account Bank,
- to the extent deemed necessary or appropriate by the Secured Creditors in its reasonable judgment, at the request of the Secured Creditors and in the manner and at the time specified by the latter, the Pledgor shall execute at its own expenses (which shall include, for the avoidance of doubt, any applicable Taxes), any deed, agreement, document or certificate, and shall take all the steps and actions which are necessary or appropriate, in the opinion of the Secured Creditors, to maintain the Pledge.
- (d) In the event of any amendment, of whatever nature and for whatever reason, to the Finance Documents or to the Secured Obligations, if the Secured Creditors deem it appropriate, in its reasonable judgement, and so requires, the Pledgor shall execute (at its own expenses) any deed, agreement, document or certificate, and shall take all the steps and actions, which are necessary, appropriate or advisable to preserve the rights of the Secured Creditors under this Agreement.

## 7. ENFORCEMENT

- 7.1 Without prejudice to any other right, claim or faculty to which they are entitled by operation of law, and subject to Clause 7.3 below, upon occurrence of an Enforcement Event, the Secured Creditors will be entitled, also pursuant to and for the purpose of article 4, letter c), of Decree 170, to apply, in whole or in part, on one or more occasions, the Pledged Collateral to discharge the Secured Obligations then outstanding and which have become due and payable pursuant to the Finance Documents.
- 7.2 The Parties further agree that, without prejudice to Clause 7.1 above, for the purposes of enforcing the security created over the Pledged Collateral, following the occurrence of an Enforcement Event and subject to Clause 7.3 below, the Secured Creditors shall be entitled to instruct the Account Bank to transfer the credit balance standing on the Account in the account(s) indicated by the Secured Creditors which shall be applied to discharge the Secured Obligations then outstanding and which have become due and payable pursuant to the Finance Documents. Upon receipt of such instructions, the Account Bank is consequently entitled to transfer such sums in accordance with the instructions of the Secured Creditors.
- 7.3 Any enforcement of the Pledge under this Clause 7 above is subject to the prior serving on the Pledgor (or, if applicable, the competent authorities of the reorganisation or liquidation proceedings, as the case may be) of any notice required by the applicable law.

- 7.4 Clause 7.1 and 7.2 above shall be without prejudice to any other form of enforcement of the Pledge or transfer of the Pledged Collateral as provided for by law, including, without limitation: (i) any right to demand payment by way of assignment of those assets or part of them to the Secured Creditors in accordance with article 2804 of Italian Civil Code; as well as (ii) the Secured Creditors' right to hold any sum received and apply it to the satisfaction of the Secured Obligations; and (iii) the right to enforce the Pledge pursuant to the Italian Code of Civil Procedure.
- 7.5 In relation to any enforcement action taken by the Secured Creditors under this Clause 7 (*Enforcement*), the Secured Creditors, pursuant to article 4, paragraph 2, of Decree 170, will immediately notify in writing the Pledgor (or, if applicable, the competent authorities of the reorganisation or liquidation proceedings, as the case may be) of the enforcement actions taken and the proceeds of any such enforcement actions.
- 7.6 Any remaining proceeds after repayment in full of the Secured Obligations shall be transferred to the Pledgor, its successors or assignees, or such other person as may be entitled to receive such proceeds.
- 7.7 The Pledgor and the Secured Creditor expressly acknowledge and agree that, in relation to the Pledge, any Enforcement Event shall constitute an "*evento determinante l'escussione della garanzia*" under and for the purposes of Decree 170.

## 8. **EFFECTIVENESS OF THE PLEDGE**

- 8.1 The Pledge is absolute and unconditional, its validity and existence are autonomous, and it is cumulative to any other security interests and/or guarantee or any other right, faculty or remedy provided by law from which the Secured Creditors may, now or hereafter, benefit in relation to all or some of the Secured Obligations.
- 8.2 The Pledge shall secure, jointly and without any prior enforcement of other security interests granted to secure the Secured Obligations, all the Secured Obligations in full and each of them individually, on the terms and conditions of this Agreement.
- 8.3 By way of derogation from article 1200 of Italian Civil Code, the Pledge shall remain valid in its entirety, notwithstanding any redemption or partial performance of the Secured Obligations, until the expiration of the Effective Period.
- 8.4 Should the Pledge be deemed, for any reason, to have been extinguished prior to the Expiry Date, it will be deemed to be reconstituted and in any event, should it become necessary, it will have to be re-established by the Pledgor, in the event that any or all payment or satisfaction, by or on behalf of the relevant debtor, or other means of extinguishing the Secured Obligations has been revoked or declared, in any event, even partially ineffective and/or unenforceable.
- 8.5 The Pledge will give rise to a first rank security interest to secure the punctual performance of the Secured Obligations, which will be binding towards the Pledgor, its successors and assignees, also in the event of syndication, extension, novation, substitution or any amendment to, or in connection with, the Finance Documents.

## 9. **RELEASE OF THE PLEDGE**

- 9.1 The Pledge shall remain in force until the date of expiry of the Effective Period (the "**Expiry Date**") and the Secured Creditors may start any enforcement at any time until such date, any objection being removed. The Pledgor waives any objection with respect to the above. Upon the Expiry Date, at the Pledgor's request and expense, the Secured Creditors shall fully release the Pledge and perform all actions reasonably requested by the Pledgor to that effect, including executing a deed of release of the Pledge, authorizing

the Pledgor to carry out any formality necessary to make the release and cancellation of the Pledge effective with respect to the Pledgor and third parties.

10. **DISCHARGE CONDITIONAL**

If any discharge, release or arrangement (whether in respect of the obligations of the Pledgor, or in respect of any security for those obligations or otherwise) is made by the Secured Creditor in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Pledgor under this Agreement will continue or be reinstated as if the discharge, release or arrangement had not occurred.

11. **TAXES AND EXPENSES**

11.1 All costs, expenses and Taxes (including legal fees, stamp duties, registration tax and any value added tax) incurred in connection with the negotiation, preparation and execution of this Agreement, the completion of the transactions and perfection of the security contemplated in this Agreement, the relevant formalities, confirmations, extensions, enforcement, novation, amendments and the cancellation of the Pledge shall be paid by the Pledgor.

11.2 The Pledgor specifically undertakes to indemnify and relieve the Secured Creditors from all expenses, costs and Taxes (including legal fees, stamp duties, registration tax and any value added tax) incurred in connection with the negotiation, preparation and execution of this Agreement, the completion of the transactions and perfection of the security contemplated in this Agreement, the relevant formalities, confirmations, extensions, enforcement, novation, amendments and the cancellation of the Pledge, except in the case of wilful misconduct or gross negligence of the Secured Creditors.

11.3 This Agreement has been reached through an exchange of commercial correspondence ("*scambio di corrispondenza commerciale*"). Therefore, it is subject to registration only upon utilisation ("*in caso d'uso*").

12. **NOTICES**

12.1 For the purposes of this Agreement and of the security rights arising hereunder, the Pledgor elects its address for service (*domicilio*) at the address set out in the section below. Any communication relating to this Agreement and to the Pledge may be sent to the Pledgor at such address, including notice of any legal proceedings and records of any judicial proceedings relating to this Agreement or the Pledge.

12.2 Any notice, communication or document to be sent to any of the parties to this Agreement under this Agreement must be sent in writing, except as the parties may agree otherwise; and shall be sent by post, e-mail or fax to the relevant party at the address listed below or to such other address as each party may subsequently notify in writing to the others.

as to the Pledgor:

**LivaNova PLC Italian Branch**

Attention: Luca Tessi

Via Benigno Crespi, 17

20159 Milano

Telephone: +39 02 69969772; Mob.: 3428388555

Email: [luca.tessi@livanova.com](mailto:luca.tessi@livanova.com), with copy to: [pim.wagnon@livanova.com](mailto:pim.wagnon@livanova.com); [eugenia.stefani@livanova.com](mailto:eugenia.stefani@livanova.com)

PEC.: [livanova@legalmail.it](mailto:livanova@legalmail.it)

as to the Secured Creditor and Account Bank:

**Barclays Bank Ireland PLC**

**Italy Branch**

Via della Moscova, 18

20121 - Milan

Italy

Telephone: 0294755237

Email: stefano.daros@barclays.com

PEC: [cbfrontoffice@pec.ie.barclays](mailto:cbfrontoffice@pec.ie.barclays)

**13. CHANGES TO THE PARTIES**

**13.1 Successors and assigns**

The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their successors and permitted assigns and transferees.

**13.2 Secured Creditor**

The Secured Creditor shall not at any time sell, assign, novate, securitise or otherwise transfer (in whole or in part) its rights and/or obligations under this Agreement to any person (each such person, a "**Transferee**"), other than (i) to any of its Affiliates in connection with a sale, assignment or transfer of all rights and obligations of the Secured Creditor under the Bond, the Credit Line, the Indemnity Letter and any other legal relationship relating thereto, or (ii) with the prior written consent of the Pledgor.

**13.3 Pledgor**

The Pledgor shall not sell, assign or otherwise transfer its interest in this Agreement nor any receivable or claims arising therefrom without the consent of the Secured Creditors.

**14. MISCELLANEOUS**

14.1 No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Secured Creditors and the Pledgor and in the English language, and no waiver of any provision of this Agreement and no consent to any departure by the Pledgor or the Secured Creditors therefrom shall be effective unless it is in writing and signed by the Secured Creditors and the Pledgor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

14.2 No failure on the part of the Secured Creditors to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other of further exercise thereof or the exercise of any other right.

14.3 This Agreement shall remain in full force and effect independently of any other security or guarantee that may be issued or granted in respect of the Secured Obligations.

14.4 The illegality, invalidity or unenforceability of any provision of this Agreement under the laws of any jurisdiction shall not affect the legality, validity or enforceability of any other provision of this Agreement.

14.5 All expenses, costs and Taxes connected to the entering into, perfection and enforcement of the Pledge shall be borne by the Pledgor, save as otherwise provided in this Agreement and in the Finance Documents.

**15. TRANSPARENCY RULES**

15.1 Pursuant to and in accordance with the the transparency rules issued pursuant to the CICR resolution of 4 March 2003 and the ("*Disposizioni in materia di trasparenza delle*



*operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*") applicable to banking and financial transactions and services, issued by Bank of Italy on 29 July 2009, as subsequently amended, supplemented and replaced from time to time (the "**Transparency Rules**"), the Parties mutually acknowledge and declare that this Agreement and any of its terms and conditions have been negotiated, with the assistance of their respective legal counsels, on an individual basis and, as a result, this Agreement falls into the category of the agreements "*che costituiscono oggetto di trattativa individuale*" which are exempted from the application of Section II of the Transparency Rules.

15.2 The Parties acknowledge that this Agreement and each of the relevant Clauses have been specifically negotiated between the Parties and that there is no reference to general terms and conditions (*condizioni generali di contratto*), it has not been executed by way of signing forms (*sottoscrizione di moduli o formulari*) and to have received a final draft of this Agreement prior to the Signing Date. Accordingly, each Party acknowledges that the provisions of articles 1341 and 1342 of the Italian Civil Code shall not apply to this Agreement.

#### 16. **GOVERNING LAW**

This Agreement shall be governed by Italian law.

#### 17. **JURISDICTION**

17.1 The Courts of Milan have exclusive jurisdiction to settle any dispute arising from this Agreement, or the non-contractual obligations deriving from it.

17.2 The Parties expressly agree that any dispute arising from this Agreement in relation to which a preliminary attempt of the mediation must be mandatorily carried out as a condition to the commencement of a judicial action pursuant to Article 5 of Italian Legislative Decree No. 28 of 4 March 2010, as amended by Law Decree No. 69 of 21 June 2013 (converted in law by Law 9 August 2013, No. 98) (the "**Mediation Decree**") shall be submitted to a mediator appointed by ADR Centre, a company registered with the register held by Italian Minister of Justice with no. 1 and in accordance with the rules of mediation of ADR Centre (the "**Mediation Rules**"). The mediation shall be carried out pursuant to the Mediation Rules and take place at the office of ADR Centre in Milan. The Mediation Rules are available at [www.adrcenter.com](http://www.adrcenter.com).

17.3 The Parties agree that the mediator will not be entitled to make any offer of mediation (*proposta di mediazione*) unless expressly required to do so by all of the negotiating parties.

17.4 Nothing in this Clause precludes the Parties from seeking, from the Milan court, injunctions proceedings (*procedimenti per ingiunzione*), precautionary measures (*provvedimenti urgenti e cautelari*) and any other judicial actions which fall under one of the categories excluded from the application of the Mediation Decree.

17.5 If the matter is not resolved by the mediation process pursuant to the Mediation Rules and in accordance with the maximum period of time set out in the Mediation Decree, paragraph 17.1 above will apply.

\* \* \*

Should you agree on the terms and conditions of the proposal set forth above, please execute an acceptance letter in which you shall copy the full contents of the above contractual proposal.

Yours sincerely,

For and on behalf of **LivaNova PLC Italian Branch**

/s/ Valeria Bizzozero

Name: Valeria Bizzozero  
Title: Director Consolidated Accounting

/s/ Cesare Antoniazzi

Name: Cesare Antoniazzi  
Title: Tax Director