



Registration of a Charge

Company name: **VIRGIN ATLANTIC AIRWAYS LIMITED**

Company number: **01600117**



X9D537WO

Received for Electronic Filing: **08/09/2020**

Details of Charge

Date of creation: **04/09/2020**

Charge code: **0160 0117 0190**

Persons entitled: **GLAS TRUST CORPORATION LIMITED AS SECURITY TRUSTEE**

Brief description: **NONE.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ASHURST LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1600117

Charge code: 0160 0117 0190

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th September 2020 and created by VIRGIN ATLANTIC AIRWAYS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th September 2020 .

Given at Companies House, Cardiff on 9th September 2020

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Confidential

Dated 4 September 2020

VIRGIN ATLANTIC AIRWAYS LIMITED
as Company

and

GLAS TRUST CORPORATION LIMITED
as Security Agent

ASSIGNMENT OF INSURANCES
relating to one Airbus A350-1000 aircraft bearing
manufacturer's serial number 71

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THIS ASSIGNMENT OF INSURANCES is dated 4 September 2020 and entered into by way of a deed

BETWEEN:

- (1) **VIRGIN ATLANTIC AIRWAYS LIMITED**, a limited liability company incorporated and existing under the laws of England and Wales with registered number 01600117, having its office at Company Secretariat, The Vhq, Fleming Way, Crawley, West Sussex, United Kingdom, RH10 9DF (the "**Company**"); and
- (2) **GLAS TRUST CORPORATION LIMITED**, as security trustee for itself and the other Secured Parties (the "**Security Agent**", which expression shall include any person from time to time appointed as a successor, replacement or additional trustee in relation to the interests created by this Assignment).

IT IS AGREED as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Assignment, the following words and expressions shall, except where the context otherwise requires, have the following respective meanings.

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

"**Aircraft**" has the meaning given to such term in the Aircraft Mortgage.

"**Aircraft Mortgage**" means the aircraft mortgage and security deed made between Virglease (4) Limited and the Security Agent dated on or about the date of this Assignment.

"**Assigned Property**" means all of the Company's right, title and interest, present and future, actual or contingent and whether contractual, proprietary or of any other kind, in and to:

- (a) any and all proceeds of the Insurances;
- (b) the benefit of all claims under, the right to make all claims under, and the right to otherwise compel performance by each insurer of their obligations in respect of, the Insurances;
- (c) the right to any returned premium paid or payable in relation to the Insurances; and
- (d) any Requisition Compensation, including all claims, rights and remedies which the Company may have against any Government Entity or other competent authority in respect to any Requisition Compensation,

but excluding any insurance proceeds or other amounts paid or payable to the Company by any insurer in respect of third party liability, cargo, mail and baggage insurance claims or liabilities and any claims, rights, benefits, remedies and/or compensation in respect thereof.

"**Assignment**" means this assignment of insurances (including the schedules).

"**Compulsory Acquisition**" means, with respect to the Aircraft, the requisition of title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation or confiscation for any reason of the Aircraft or any part thereof by any Government Entity or other competent authority, whether de jure or de facto, but shall exclude requisition for use or hire not involving requisition of title.

"Contract Documents" means this Assignment, the Notice of Assignment, the Lease Agreement, the Aircraft Mortgage, the Debenture and the Intercreditor Agreement and any other document designated as such by the Company and the Security Agent.

"Debenture" means the debenture between (among others) the Company as chargor and the Security Agent as security agent dated on or about the date of this Assignment.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

"Engine" has the meaning given to such term in the Aircraft Mortgage.

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

"Final Discharge Date" has the meaning given to such term in the Intercreditor Agreement.

"Government Entity" means and includes (whether having a distinct legal personality or not) (i) any national government, political sub-division thereof, or local jurisdiction therein, (ii) any board, commission, department, division, organ, instrumentality, court, regulatory or self-regulatory authority or agency of any entity referred to in (i) above, however constituted and (iii) any association, organisation or institution (international or otherwise) of which any entity mentioned in (i) or (ii) above is a member or to whose jurisdiction any thereof is subject or in whose activities any thereof is a participant.

"Indemnitee" has the meaning given to such term in the Lease Agreement.

"Instructing Group" has the meaning given to such term in the Intercreditor Agreement.

"Insurances" means all contracts or policies of insurance maintained (or required to be maintained by the terms of the Lease Agreement and the Primary Creditor Finance Documents) in relation to the Aircraft or any part thereof but excluding any such contracts or policies relating to third party liability, cargo, mail and baggage insurance.

"Intercreditor Agreement" means the intercreditor agreement made between the Company as a debtor, the Security Agent as security agent and others dated on or about the date of this Assignment.

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

"Lease Agreement" means the operating lease in respect of the Aircraft made between the Virglease (4) Limited as lessor and the Company as lessee dated on or about the date of this Assignment.

"New Money Bond Issuer" has the meaning given to such term in the Intercreditor Agreement.

"New Money Creditors" has the meaning given to such term in the Intercreditor Agreement.

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

"New Money Discharge Date" has the meaning given to such term in the Intercreditor Agreement.

"New Money Facility Agreement" has the meaning given to such term in the Intercreditor Agreement.

"New Money Secured Obligations" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group, the New Money Bond Issuer and by each Debtor to the New Money Creditors, the Security Agent and any Receiver or Delegate under the New Money Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Notice of Assignment" means a notice of assignment substantially in the form set out in Schedule 1 (Form of Notice of Assignment of Insurances).

"Parts" has the meaning given to it in the Aircraft Mortgage.

"Party" means a party to this Assignment.

"Primary Creditor Finance Documents" has the meaning given to such term in the Intercreditor Agreement.

"Receiver" means any receiver or receiver and manager or administrative receiver appointed by the Security Agent under this Assignment.

"Related Rights" has the meaning given to such term in the Debenture;

"Requisition Compensation" means all moneys and other compensation payable by any Government Entity or other competent authority in respect of any Compulsory Acquisition or any requisition for use or hire of the Aircraft, either Engine or any Part.

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

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

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Total Loss" has the meaning given to such term in the Lease Agreement.

1.2 Interpretation

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

- (i) words and expressions defined in the Intercreditor Agreement have the same meanings when used in this Assignment unless otherwise defined in this Assignment
- (ii) any document shall include that document as amended, novated or supplemented from time to time;
- (iii) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (iv) the principles of construction contained in clause 1.2 (Construction) of the Intercreditor Agreement apply equally to the construction of this Assignment, except that references to the Intercreditor Agreement will be construed as references to this Assignment;

- (v) the "**Company**", any "**Secured Party**" or any other person shall be construed so as to include its successors in title, permitted assignees and transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Debt Documents;
 - (vi) a "**Primary Creditor Finance Document**" or any other agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended, restated or replaced;
 - (vii) "including" means including without limitation and "includes" and "included" shall be construed accordingly; and
 - (viii) any clause or Schedule is a reference to, respectively, a clause or Schedule of this Assignment.
- (b) The Parties intend that this Assignment shall take effect as a deed, notwithstanding the fact that a Party may only execute it under hand.
- (c) Where an action or provision requires the consent or the discretion of, or designation by, the Security Agent:
- (i) prior to the New Money Discharge Date, that consent shall be provided or discretion and/or designation shall be exercised in accordance with the terms of the New Money Debt Documents; and
 - (ii) after the New Money Discharge Date, that consent shall be provided or discretion and/or designation shall be exercised if the Company certifies to the Security Agent that such action is permitted by the Primary Creditor Finance Documents or otherwise with the consent of the Instructing Group.

1.3 Third Party Rights

- (a) Any Receiver or Delegate will have the right to enforce the provisions of this Assignment which are given in its favour however the consent of a Receiver or Delegate is not required for the rescission or variation of this Assignment.
- (b) Subject to paragraph (a) above, a person who is not a party to this Assignment has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Assignment.

2 Representations and Warranties

2.1 The Company represents and warrants to the Security Agent that:

- (a) the Company is, and will be at all times prior to the Final Discharge Date, the sole lawful owner of all rights, title and interest in and to the Assigned Property; and
- (b) neither the Assigned Property nor any part thereof is subject to any other Security in favour of any other person other than the Security Agent.

2.2 Further representations and warranties of the Company are set out in the Primary Creditor Finance Documents.

3 Covenants

3.1 General Undertakings

The Company shall:

- (a) register this Assignment in each jurisdiction in which registration may be required or advisable in order to ensure its enforceability, validity and priority over the Assigned Property and otherwise to give full effect to the Security intended to be created under it and execute any documentation and provide any information to the Security Agent that is reasonably required to perfect (whether by possession, control, registration or otherwise under applicable legislation) the Security in the Assigned Property;
- (b) if a Total Loss occurs with respect to the Aircraft or an Acceleration Event occurs, promptly upon request of the Security Agent, supply to the Security Agent all details of information, accounts and records that may be necessary or of assistance to enable the Security Agent to verify the amount of all payments due to the Company and, as applicable, any other Indemnitee pursuant to the Insurances;
- (c) provide Certificates of Insurance and Broker's Letter of Undertaking in customary forms annually within 15 Business Days of each renewal and provide such other information as to the Insurances as the Security Agent may reasonably request promptly following such request; and
- (d) if an Acceleration Event has occurred:
 - (i) subject to the terms of the Notice of Assignment, direct the insurers and any other debtor in respect of any part of the Assigned Property to promptly pay all moneys arising from or in connection with the Assigned Property to such account or accounts as the Security Agent may from time to time direct; and
 - (ii) not exercise any rights or powers conferred on it in respect of the Assigned Property unless and until requested to do so by the Security Agent whereupon the Company agrees that it will immediately do so, at its own cost and expense.

3.2 Negative Undertakings

The Company shall not:

- (a) knowingly take any action or knowingly omit to take any action which has or may have the effect of prejudicing the rights and interests of the Security Agent in and to the Assigned Property;
- (b) without prejudice to paragraph (a) above, directly or indirectly create, agree to create, incur, assume, permit or cause to exist, or consent to, any Security (other than pursuant to this Assignment) over any part of the Assigned Property or any of its rights or interests in or under this Assignment and shall promptly take, or cause to be taken, such actions as may be necessary to discharge any such Security that may at any time arise or exist;
- (c) except with the previous written consent of the Security Agent, (i) release any Party from any of its obligations under the Insurances, (ii) waive any breach by any Party of its obligations under the Insurances or (iii) consent to or acquiesce in any such act or omission of such Party as would otherwise constitute such breach, where such release or breach could

reasonably be expected to have a material adverse effect on the rights and interests of the Company and the Security Agent in the Assigned Property; and

- (d) exercise any right of set-off, counterclaim or defence against the Security Agent with respect to the Assigned Property or agree that any other person may exercise any such right.

4 Secured Obligations

4.1 New Money Secured Obligations

The Company as primary obligor covenants with the Security Agent (for the benefit of itself, any Receiver or Delegate and the New Money Creditors) that it will on demand pay the New Money Secured Obligations when they fall due for payment.

4.2 Other Money Secured Obligations

Without prejudice to clause 4.1 (New Money Secured Obligations) the Company covenants to pay the Secured Obligations (other than the New Money Secured Obligations) in the manner provided for in the relevant Primary Creditor Finance Documents.

- 4.3 The Company acknowledges to the Security Agent that the amounts secured by this Assignment, and in respect of which this Assignment and the Security created by this Assignment is enforceable, is the full amount of the Secured Obligations from time to time.

5 Assignment and Charge

- 5.1 As security for the payment, performance and discharge of the Secured Obligations, the Company hereby assigns and agrees to assign absolutely, with full title guarantee, to the Security Agent by way of first priority security all of its right, title and interest in the Assigned Property, both present and future (but subject to the redemption rights of the Company set out in clause 14 (*Release of Security*)).
- 5.2 To the extent that the Assigned Property is not capable of assignment pursuant to clause 5.1 (and notwithstanding the provisions of clause 5.1), as security for the payment, performance and discharge of the Secured Obligations, the Company hereby charges in favour of the Security Agent with full title guarantee all of its right, title and interest in, by way of first fixed charge, the Assigned Property and all Related Rights.
- 5.3 Notwithstanding the provisions of clauses 5.1 and 5.2, the Company shall be entitled to all of the benefits accruing, and to exercise all of the rights, in respect of the Assigned Property until such time as an Acceleration Event has occurred.
- 5.4 The Security Agent shall not incur any liabilities whatsoever in respect of the Assigned Property by virtue of this Assignment or anything arising out of it (including any failure by the Company to perform any of its obligations thereunder). The Company remains liable to perform all the obligations assumed by it under or in respect of the Assigned Property. The exercise by the Security Agent or any Receiver of any rights assigned to it hereunder shall not release the Company from any of its duties or obligations under or in respect of the Assigned Property.

6 Notices of Assignment

- 6.1 The Company covenants and agrees that on execution of this Assignment it will execute and forthwith deliver a Notice of Assignment to the brokers through whom the Insurances are effected and shall procure that such brokers acknowledge receipt of such Notice of Assignment by having

the insurance certificate in relation to the Aircraft list the Contract Documents as "Contracts" for the purposes of AVN67B.

- 6.2 The Company further covenants and agrees that, in the event that there is any Compulsory Acquisition or requisition for use or hire of the Aircraft, it will promptly give notice of the assignment of, and charge over, its rights, title and interest to the Requisition Compensation in a form reasonably satisfactory to the Security Agent to the relevant Government Entity or other relevant authority (such notice to specify that any Requisition Compensation otherwise payable to the Company shall immediately be paid to the Security Agent).
- 6.3 If the Company at any time effect the Insurances or any part of the Insurances with a different insurer or through a different broker, then the Company will at the time of such change deliver a further Notice of Assignment (or in such other form as the Security Agent may reasonably require) and shall procure that such insurer or broker acknowledges receipt of such Notice of Assignment by having the insurance certificate in relation to the Aircraft list the Contract Documents as "Contracts" for the purposes of AVN67B.

7 Application of Proceeds

All moneys, proceeds or other amounts received or recovered by the Security Agent or any Receiver pursuant to this Assignment (including any proceeds of the Insurances received in respect of a Total Loss) shall be applied in the order and manner specified under clause 18.1 (Order of application) of the Intercreditor Agreement.

8 Power of Attorney

- 8.1 The Company, by way of security, irrevocably appoints the Security Agent and each Receiver, severally, to be its true and lawful attorney (with full power of substitution and delegation) for and on behalf of the Company and in its name or in the name of the Security Agent or such Receiver and as the Company's act and deed to sign, seal, execute, deliver and do all such assurances, acts and things which the Security Agent or such Receiver may deem to be appropriate or desirable in order to give full effect to the purposes of this Assignment, including:
- (a) to execute and complete all such documents which the Security Agent or such Receiver may require for perfecting the title of the Security Agent to the Assigned Property or for vesting the same in the Security Agent, its nominee or any purchaser;
 - (b) to enforce the Company's rights under and in respect of the Assigned Property, to endorse any cheques or other instruments or orders in connection therewith and to file claims and to make any conveyances of any portion of the Assigned Property and of effecting any sale, assignment, transfer or delivery for the enforcement of this Assignment, whether pursuant to foreclosure or power of sale or otherwise;
 - (c) to execute and complete any document referred to in clauses 6.2 (*Notices of Assignment*), 6.3 (*Notices of Assignment*) and 9 (*Further Assurance*); and
 - (d) generally to execute, complete and deliver any instruments and documents and to do all acts and things which may be required for the full exercise of any of the powers conferred on the Security Agent or a Receiver under this Assignment,

provided that the Security Agent or such Receiver shall only exercise the authority conferred on it by this clause 8.1 (Power of Attorney) upon:

- (i) the expiry of 5 days following the failure by the Company to do that which it is required to do by the terms of any Primary Creditor Finance Document; or
- (ii) the occurrence of an Event of Default which is continuing,

but, in each case, the exercise of such power by the Security Agent or such Receiver shall be conclusive evidence of its right to exercise the same notwithstanding the preceding provisions of this sentence.

- 8.2 The power hereby conferred shall be a general power of attorney under the Powers of Attorney Act 1971 and the Company ratifies and confirms and agrees to ratify and confirm, any deed, assurance, agreement, instrument, act or thing which the Security Agent and Receiver may execute or do pursuant thereto.
- 8.3 Neither the Security Agent nor any Receiver shall have any obligation whatsoever to exercise any of the powers hereby conferred upon it or to make any demand or enquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim or notice or take any other action whatsoever with respect to the Assigned Property. No action taken by the Security Agent or any Receiver in good faith in the exercise of the power of attorney conferred by clause 8.1 shall give rise to any defence, counterclaim or set-off in favour of the Company or otherwise affect any of the Secured Obligations.

9 Further Assurance

- 9.1 The Company further undertakes (at its cost) that at any time and from time to time upon the request of the Security Agent it will execute, perfect, do, and (if required) register every such further assurance, document, act or thing which the Security Agent may specify with a view to:
- (a) perfecting or giving effect to or ensuring the priority of any assignment or security created or intended to be created by this Assignment; or
 - (b) facilitating the exercise, or the proposed exercise, of any of the Security Agent's or any Receiver's powers under this Assignment.
- 9.2 The following covenants shall be implied in respect of any action taken by the Company to comply with its obligations under clause 9.1:
- (a) the Company has the right to take such action in respect of the Assigned Property; and
 - (b) the Company will at its own cost do all that it reasonably can to give the Security Agent or its nominee the title and/or rights that it purports to give.
- 9.3 The Security Agent shall, without prejudice to its other rights, powers and remedies under this Assignment, be entitled (but not obliged) to take all such action and do all such things as it may from time to time consider (acting reasonably) necessary or appropriate so as to establish, maintain, perfect, preserve and/or protect its rights under or in relation to this Assignment, the Security created (or intended to be created) by this Assignment and/or the priority (or intended priority) of such Security.

10 Continuing Security

- 10.1 This Assignment and the Security created hereby shall be held by the Security Agent as a continuing security for the payment, discharge and performance of the Secured Obligations, and the securities, covenants and provisions contained in this Assignment shall remain in full force

and effect as continuing securities to the Security Agent notwithstanding any settlement of account or any intermediate payment or satisfaction of any part of the Secured Obligations or any other act, event or matter whatsoever, except only the execution by the Security Agent of an absolute and unconditional release of the Security created by this Assignment in accordance with the provisions of clause 14 (*Release of Security*).

- 10.2 The Security created by this Assignment, and the powers and remedies of the Security Agent under this Assignment, shall be in addition to, and shall not in any way be prejudiced or affected by, any collateral or other security or powers or remedies now or hereafter held by the Security Agent for all or any part of the Secured Obligations.
- 10.3 No delay or omission of the Security Agent in the exercise of any right, power or remedy vested in it hereunder shall impair such right or power or be construed as a waiver of or an acquiescence in any default by the Company, nor shall any single or partial exercise of any right, power or remedy prevent any further or other exercise or the exercise of any other right, power or remedy. The rights and remedies provided in this Assignment are cumulative and not exclusive of any rights or remedies provided by law.
- 10.4 The security created by this Assignment shall not be discharged, impaired, prejudiced or otherwise affected by:
 - (a) any failure by the Security Agent or any other person to take or enforce any other security, guarantee or other assurance taken or agreed to be taken or given for all or any of the Secured Obligations under or pursuant to any Primary Creditor Finance Documents or otherwise;
 - (b) any time or other indulgence given or agreed to be given by the Security Agent or any other person to the Company or any other person in respect of the Secured Obligations or in respect of the Company's or such other person's obligations under any security or guarantee relating thereto;
 - (c) any amendment, modification, variation, supplement, novation, restatement or replacement of all or any part of the Secured Obligations or any Primary Creditor Finance Document;
 - (d) any release or exchange of any other security, guarantee or other assurance now or hereafter held by or inuring to the benefit of the Security Agent or any other person for all or any part of the Secured Obligations;
 - (e) the invalidity, unenforceability or illegality of the Lease Agreement or any Primary Creditor Finance Document and/or the Secured Obligations or the bankruptcy, liquidation, winding-up, insolvency, dissolution, administration, reorganisation or amalgamation of, or other analogous event of or with respect to the Company or any other person; or
 - (f) any other act, fact, matter, event, circumstance, omission or thing (other than a discharge in accordance with the express terms of this Assignment) which, but for this provision, might operate to impair or discharge the rights of the Security Agent under this Assignment or under any other Primary Creditor Finance Documents or which, but for this provision, might constitute a legal or equitable discharge of the Security hereby created.
- 10.5 The Security Agent shall have all the powers conferred on mortgagees by Section 101 of the Law of Property Act, 1925, but without the restrictions contained in section 103 of that Act.

11 Enforcement of Security

At any time after an Acceleration Event has occurred, the Security Agent shall have the right, without further notice to the Company, (i) to transfer the Assigned Property (in whole or in part) to its name or the name of its nominee or vendee, (ii) to appropriate for the benefit of the Security Agent any and all balances, credits, deposits, accounts or monies of or in the name of the Company then or thereafter with the Security Agent, and (iii) to exercise any and all of the other rights, powers, authorities and discretions of a secured party under applicable law, including all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Assignment) on mortgagees. Without limiting the foregoing, the Security Agent shall have the authority, but shall not be obliged, to:

- (a) notify the Company, the brokers through whom the Insurances are effected or any or all other obligors of agreements or instruments constituting the Assigned Property of the existence of the Security Agent's Security and to require any or all such obligors to pay or remit all sums due or to become due directly to the Security Agent or its nominee;
- (b) in the name of the Company or otherwise, demand, collect, receive and give receipt for, compound, compromise, settle and give acquittance for, and prosecute and discontinue any suits or proceedings in respect of any or all of the Assigned Property;
- (c) take any action which the Security Agent may deem necessary or desirable in order to realise on the Assigned Property, including, without limitation, performing any contract or endorsing in the name of the Company any letter of credit, cheques, drafts, notes or other instruments or documents received in payment of or on account of the Assigned Property;
- (d) make any claim for, negotiate settlement claims for, receive payment for and execute and endorse any documents, cheques or other instruments in respect of any payment in respect of the Assigned Property;
- (e) set-off any monies comprised in the Assigned Property against all or any of the Secured Obligations; and
- (f) appoint a Receiver of all or any part of the Assigned Property in accordance with clause 12 (*Appointment of Receivers*).

12 Appointment of Receivers

- 12.1 The Security Agent may, at any time after an Acceleration Event has occurred, by instrument in writing, appoint any person to be a Receiver of all or any part of the Assigned Property. Where more than one Receiver is appointed, each joint Receiver shall have power to act severally, independently of any other joint Receivers, except to the extent that the Security Agent may specify to the contrary in the appointment.
- 12.2 The Receiver shall in the exercise of his powers, authorities and discretions conform with the reasonable directions from time to time made and given by the Security Agent. The Security Agent may remove any Receiver and appoint another in his place. The Security Agent may from time to time determine what funds any Receiver shall be at liberty to keep in hand with a view to the performance of his duties as Receiver.
- 12.3 A Receiver shall be the agent of the Company, and the Company shall be solely responsible for his acts, defaults and remuneration and be liable on any agreements or engagements made or entered into by him. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver. If, as a result of any order being made or a resolution being passed for

the winding up of the Company, a Receiver ceases to be the agent of the Company, the Receiver will immediately become the agent of the Security Agent.

- 12.4 A Receiver shall have the power to do or omit to do on behalf of the Company anything which the Company itself could do or omit to do in relation to the Assigned Property if the Receiver had not been appointed. In particular (but without limitation), a Receiver shall have the powers conferred from time to time on receivers by statute including all the powers conferred from time to time on receivers by the Law of Property Act 1925 (in the case of powers conferred by the Law of Property Act 1925, without the restrictions contained in sections 93 and 103 of that Act). Any Receiver may exercise all the rights, powers, remedies and discretions conferred on the Security Agent by this Assignment or by law generally and shall be entitled to the same protection as is given to the Security Agent hereunder and each Receiver shall also have all the powers in respect of the Assigned Property as are conferred on an administrative receiver (whether or not the Receiver is an administrative receiver) by Section 42 of the Insolvency Act 1986 (so that the powers set out in schedule 1 of the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver) and such other powers and discretions as the Security Agent may from time to time confer on the Receiver.
- 12.5 The Security Agent may from time to time determine the remuneration of any Receiver (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise) and section 109(6) of the Law of Property Act 1925 shall be varied accordingly. A Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm. The remuneration of the Receiver shall be payable by the Company alone and the amount of such remuneration may be debited by the Security Agent to any account of the Company but shall, in any event, be secured on the Assigned Property under this Assignment.
- 12.6 Sections 93 and 103 of the Law of Property Act 1925 and paragraphs (6) and (8) of Section 109 of the Law of Property Act 1925 shall not apply to this Assignment or to the Security created by this Assignment or to any of the rights, powers, benefit or remedies of the Security Agent or any Receiver hereunder or in connection herewith.

13 Exercise of powers and third parties

- 13.1 In exercising the powers referred to in clauses 11 (*Enforcement of Security*) and 12 (*Appointment of Receivers*), the Assigned Property or any part thereof may be sold, disposed of or otherwise dealt with at such times in such manner for such consideration and generally on such terms and conditions as the Security Agent or the Receiver may think fit.
- 13.2 No person dealing with the Security Agent or any Receiver shall be concerned to enquire:
- (a) whether the Secured Obligations have become payable;
 - (b) whether the power which the Security Agent or such Receiver is purporting to exercise has become exercisable (including whether or not an Acceleration Event has occurred and is continuing);
 - (c) whether any money remains due under any Primary Creditor Finance Document;
 - (d) how any money paid to the Security Agent or such Receiver is applied; or
 - (e) as to the propriety or regularity of any sale or other dealing by the Security Agent or such Receiver with the Assigned Property,

and all the protections to purchasers conferred by applicable law shall apply to such persons dealing with the Security Agent or such Receiver.

13.3 The receipt of the Security Agent or such Receiver of any purchase moneys shall effectively discharge the purchaser who shall not be concerned with the manner of application of the same or be in any way answerable therefore.

13.4 The powers conferred by this Assignment on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Assignment) and such powers shall remain exercisable from time to time by the Security Agent in respect of the Assigned Property. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Assignment, the terms of this Assignment shall prevail.

14 Release of Security

14.1 Release

Following the full and final payment and discharge of the Secured Obligations, and so long as (a) no Event of Default has occurred and is continuing, and (b) the Security Agent has not been advised by appropriate legal counsel that, by reason of the application of any bankruptcy, insolvency or other applicable laws affecting creditors' rights and the discharge of obligations, the Security Agent will or will become likely to be obliged to pay to or to account to the Company or any liquidator or trustee in bankruptcy of the Company any amount corresponding to all or any part of the amount paid in or towards the discharge of the Secured Obligations, then the Security Agent shall, at the request and at the cost of the Company, execute and deliver to the Company any instruments that are necessary to evidence the satisfaction, release and discharge of this Assignment and the Security created hereby, to release and discharge the Assigned Property, freed and discharged from the provisions herein contained and release the Company from its covenants herein contained.

14.2 Discharge conditional

Any settlement or discharge between the Security Agent and the Company will be conditional upon no security or payment to the Security Agent by any person under or in relation to any Primary Creditor Finance Document being avoided or set aside or ordered to be refunded or reduced by virtue of applicable law (including without limitation in the context of any winding-up, dissolution, administration or re-organisation) and in event of any such security or payment being so avoided, set aside or ordered to be refunded or reduced the Security constituted by this Assignment shall automatically be reinstated as Security for the Secured Obligations as if such settlement or discharge had not occurred.

15 Protection of Security Agent

15.1 Role of Security Agent

The provisions set out in clause 20 (The Security Agent) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this Assignment.

15.2 Delegation

The Security Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this

Assignment to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Agent will not be liable or responsible to the Company or any other person for any losses arising from any act, default, omission or misconduct on the part of any Delegate.

15.3 Non-competition

- (a) Until all amounts which may be or become payable in respect of the Secured Obligations have been irrevocably paid in full and unless the Security Agent otherwise directs, the Company will not exercise any rights which it may have by reason of performance by it of its obligations under this Assignment or by reason of any amounts being payable, or liability arising under this Assignment:
 - (i) to claim any right of indemnity or contribution in respect of any payment made or other satisfaction of the Company's liability under this Assignment;
 - (ii) to take the benefit (whether by way of subrogation or otherwise) of any rights of any Secured Parties under the Primary Creditor Finance Documents; and/or
 - (iii) to claim or prove as a creditor of any Debtor in competition with any Secured Party.
- (b) The Company shall hold any benefit, payment or distribution received by it contrary to paragraph (a) above on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with clause 18 (Application of Proceeds) of the Intercreditor Agreement.

16 Suspense accounts

- 16.1 Until the Secured Obligations are paid in full, each Secured Party may place and keep (to the extent possible and for such time as it shall determine) any recoveries or other proceeds of enforcement (whether cash or non-cash) received pursuant to this Assignment or otherwise on account of the Company's liability in respect of the Secured Obligations in an interest bearing separate suspense account, without having any obligation to apply all or any part of the same in or towards discharge of the Secured Obligations.
- 16.2 If the Security created by this Assignment is enforced at a time when no amount is due under each and all of the Primary Creditor Finance Documents but at the time when amounts may or will become due, a Secured Party may pay any recoveries or other proceeds of enforcement into a suspense account.

17 Changes to Parties

17.1 Assignment by the Security Agent

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Assignment in accordance with the Primary Creditor Finance Documents.

17.2 Assignment by the Company

The Company may not assign or otherwise transfer any of its rights or obligations under this Assignment.

17.3 Changes to Parties

The Company authorises and agrees to changes to parties under clause 24 (Changes to the Lenders) of the New Money Facility Agreement and clause 21 (Changes to the Parties) of the Intercreditor Agreement and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

18 Notices

18.1 Communications in Writing

Any communication made under or in connection with this Assignment shall be made in writing and, unless otherwise stated, may be made by fax or letter.

18.2 Addresses

The address and fax number of each Party to this Assignment for any communication or document to be made or delivered under or in connection with this Assignment is as shown immediately after its name on the execution pages of this Assignment or any substitute address or fax number as the Party may notify to the Security Agent (or the Security Agent may notify to the Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

18.3 Delivery

18.3.1 Any communication or document made or delivered by one person to another under or in connection with this Assignment will only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 18.2 (Addresses), if addressed to that department or officer.

18.3.2 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

18.4 Electronic Communication

Any communication to be made in connection with this Assignment may be made by electronic mail or other electronic means:

- (a) to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the two Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Company to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

19 Invalidity of any Provision

If any provision of this Assignment is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

20 Counterparts

This Assignment may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment.

21 Governing law and Jurisdiction

- 21.1 This Assignment and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- 21.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Assignment (including a dispute regarding the existence, validity or termination of this Assignment or any non-contractual obligation arising out of or in connection with this Assignment) (a "**Dispute**").
- 21.3 The Parties to this Assignment agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

IN WITNESS WHEREOF this Assignment has been executed as a deed, and it has been delivered on the date stated at the beginning of this Assignment.

Schedule 1

Form of Notice of Assignment of Insurances

Date: [•]

To: [•] (the "**Insurers**")

From: GLAS Trust Corporation Limited in its capacity as security agent for and on behalf of certain persons (in such capacity, the "**Security Agent**")

Dear Sirs

One (1) Airbus A350 Aircraft bearing Manufacturer's Serial Number 71 (the "Aircraft")

- 1 We refer to an assignment of insurances dated [•] September 2020 and entered into between Virgin Atlantic Airways Limited (the "**Company**") and the Security Agent relating to the Aircraft (the "**Insurance Assignment**").
- 2 We hereby give notice that by the Insurance Assignment, the Company assigned and agreed to assign by way of first priority security in favour of the Security Agent all of its right, title and interest, present and future, actual or contingent and whether contractual, proprietary or of any other kind, in and to the Assigned Insurance Property.
- 3 For the purposes of this notice:

"**Aircraft Mortgage**" means the aircraft mortgage and security deed made between Virglease (4) Limited and the Security Agent dated [•] September 2020.

"**Assigned Insurance Property**" means all of the Company's right, title and interest, present and future, actual or contingent and whether contractual, proprietary or of any other kind, in and to:

- (a) any and all proceeds of the Insurances;
- (b) the benefit of all claims under, the right to make all claims under, and the right to otherwise compel performance by each insurer of their obligations in respect of, the Insurances; and
- (c) the right to any returned premium paid or payable in relation to the Insurances,

but in each case excluding any insurance proceeds or other amounts paid or payable to the Company by any insurer in respect of third party liability, cargo, mail and baggage insurance claims or liabilities and any claims, rights, benefits, remedies and/or compensation in respect thereof.

"**Debenture**" means the debenture between (among others) the Company as chargor and the Security Agent as security agent dated [•] September 2020.

"**Insurances**" means all contracts or policies of insurance maintained (or required to be maintained by the terms of the Primary Creditor Finance Documents) in relation to the Aircraft or any part thereof, but excluding any such contracts or policies relating to third party liability, cargo, mail and baggage insurance.

"Intercreditor Agreement" means the intercreditor agreement made between the Company as a debtor, the Security Agent as security agent and others dated [•] September 2020.

"Lease Agreement" means the operating lease in respect of the Aircraft made between the Virglease (4) Limited as lessor and the Company as lessee dated [•] September 2020.

- 4 After receipt by you from the Security Agent of a notice to the effect that an Acceleration Event (as such term is defined in the Insurance Assignment) has occurred:
 - (a) any and all moneys that may be payable by you under the Insurances shall be paid to such account(s) as may be designated in such notice (or as the Security Agent may otherwise direct); and
 - (b) you will perform all of your obligations under the Insurances in favour of and for the benefit of the Security Agent (to the exclusion of the Company).
- 5 None of the Security Agent nor any Secured Party (including their respective successors and assignees) has any operational interest in the Aircraft or any part thereof.
- 6 This notice and the instructions contained in this notice cannot be amended or revoked without the express written consent of the Security Agent.
- 7 This notice may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this notice.
- 8 Kindly acknowledge receipt of this notice to Company and the Security Agent by including this notice, the Insurance Assignment, the Lease Agreement, the Aircraft Mortgage, the Debenture and the Intercreditor Agreement as "Contracts" in the certificate of insurances for the Aircraft and the Security Agent as a "Contract Party" and the "Designated Contract Party" in respect of the hull and war risk insurance and liability insurance and each Secured Party as an additional insured and "Contract Party" in respect of liability insurance.
- 9 This notice and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

Yours faithfully

.....
for and on behalf of
GLAS Trust Corporation Limited
Security Agent

.....
for and on behalf of
Virgin Atlantic Airways Limited
Company

ASSIGNMENT OF INSURANCES**EXECUTION PAGE****Company**

Executed and delivered as a deed by)
VIRGIN ATLANTIC AIRWAYS)
LIMITED)
)
 acting by two directors ~~or by one director~~)
~~and the Company Secretary~~)

Director
 Name: Shai weiss

Director/~~Secretary~~
 Name: Tom Mackay

Notice Details

Address: The Vhq Fleming Way, Crawley, West Sussex, United Kingdom, RH10 9DF
 Facsimile: [●]
 Attention: Chief Financial Officer and Legal Department
 Email: notices@fly.virgin.com

Security Agent

Signed for and on behalf of **GLAS**)
TRUST CORPORATION LIMITED:)
)
) Name:

Notice Details

Address: 45 Ludgate Hill, London EC4M 7JU, United Kingdom
Telephone: +44 (0)20 3597 2940
Email: tmg@glas.agency
Attention: Transaction Management Group (Virgin Atlantic TRN00001274)