



Registration of a Charge

Company name: **VIRGIN ATLANTIC AIRWAYS LIMITED**

Company number: **01600117**



X9D54RX5

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

Details of Charge

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

Charge code: **0160 0117 0192**

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

Brief description: **NONE.**

Contains fixed charge(s).

Contains floating 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 0192

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



EXECUTION VERSION

Debenture

The Company
and the other companies listed in schedule 1
and

GLAS Trust Corporation Limited
as Security Agent

Note: the application of recoveries under this debenture is regulated
by the terms of the Intercreditor Agreement

4 September 2020

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THIS DEED is made on 4 September 2020

BETWEEN:

- (1) **VIRGIN TRAVEL GROUP LIMITED** (a company incorporated in England and Wales with registered number 02274332) (the "**Parent**");
- (2) **VIRGIN ATLANTIC AIRWAYS LIMITED** (a company incorporated in England and Wales with registered number 01600117) (the "**Company**");
- (3) **THE COMPANIES** listed in schedule 1 (Chargors); and
- (4) **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 deed).

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed:

"A350 Lease" means the operating lease in respect of the Aircraft made between the Lessor as lessor and the Company as lessee dated on or about the date of this deed;

"Accounts Schedule" means the schedule setting out each Deposit and Investment Account, Operating Account, Blocked Account and Excluded Account of the Chargors and delivered to the Security Agent on or prior to the date of this deed (as may be updated and supplemented from time to time);

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

"Additional Secured Designated Location" means any location in the United Kingdom which is owned, leased or licensed by the Company, or any property or warehouse that is managed by a third party supplier where, in each case, the Company stores or intends to store more than 20% in value of its total Aircraft Inventory and where the conditions set out in paragraph (c) of clause 13.3 (Secured Designated Locations) below have been satisfied;

"Airbus A350 Refinancing" shall have the meaning given to such term in the Intercreditor Agreement;

"Aircraft" has the meaning given to such term in the Aircraft Mortgage;

"Aircraft Inventory" means:

- (a) all Inventory Technical Records;
- (b) all Inventory Parts; and
- (c) any other aircraft inventory or assets identified, referred to or otherwise included in the Initial Aircraft Inventory Valuation Report and any Aircraft Inventory Valuation;

"Aircraft Inventory Valuation" means a valuation of the Aircraft Inventory valued by an independent valuer satisfactory to the New Money Agent (acting on the instructions of all the New Money Lenders) in the form agreed with the New Money Lenders prior to the date

of this deed which shall, for the avoidance of doubt, be prepared on the basis of "Net Orderly Liquidation Value" which excludes inventory with retention of title clauses;

"Aircraft Mortgage" means the aircraft mortgage and security deed made between the Lessor and the Security Agent in respect of the Aircraft dated on or about the date of this deed;

"Assigned Agreements" means the A350 Lease, the Material Contracts, the Intra-Group Loans and any other agreement designated as an Assigned Agreement by the relevant Chargor (or the Company on its behalf) and the Security Agent;

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"B&V Warehouses" means the third party warehouses managed in the United Kingdom by Bollore & Varlin;

"Bank Accounts" means all rights in relation to cash-deposit, current or other accounts held with any bank, financial institution or other person and all moneys from time to time deposited in or standing to the credit thereof;

"Barbados Securitisation Documents" has the meaning given to the term "Transaction Documents" in the Framework Agreement;

"Blocked Accounts" means the Bank Accounts (if any) listed as "Blocked Accounts" in the Accounts Schedule or in any updated Accounts Schedule (including any updated Accounts Schedule accompanying any Security Accession Deed), and any other Bank Account which is designated as a Blocked Account by the relevant Chargor (or the Company on its behalf) and the Security Agent, and any replacement account or any sub-division or sub-account of those Bank Accounts;

"Book Debts" means all book and other debts of any nature and all monetary claims owed to a Chargor (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and in each case any cheque, bill, note, negotiable instrument or other document representing the same (excluding any such debts or claims in relation to the Bank Accounts and the Assigned Agreements);

"Cape Town Convention" means, together:

- (a) the Convention on International Interests in Mobile Equipment signed on 16 November 2001 at Cape Town, South Africa; and
- (b) the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment signed on 16 November 2001 in Cape Town, South Africa;

"Cargo Receivables" has the meaning given to such term in the Intercreditor Agreement;

"Charged Property" means the assets mortgaged, charged or assigned to the Security Agent by this deed;

"Chargors" means the Parent, the Company, each of the companies listed in schedule 1 (Chargors) and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed;

"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 Authority

or other competent authority, whether de jure or de facto, but shall exclude requisition for use or hire not involving requisition of title;

"Consumables" means agents used in the servicing and repair of aircraft, engines or components and which are designed for single cycle use including sealants, grease, lube and tape;

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

"Debtor" has the meaning given to such term in the Intercreditor Agreement;

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

"Deposit and Investment Accounts" means any account described as a money market deposit account or money market fund account, interest in any money market fund and any other comparable or equivalent investment of a Chargor from time to time (whether owned directly by or to the order of a Chargor or any trustee, fiduciary, custodian or other person on its behalf), including those listed as "Deposit and Investment Accounts" in the Accounts Schedule or in any updated Accounts Schedule (including any updated Accounts Schedule accompanying a Security Accession Deed);

"EASA" means the European Aviation Safety Agency, which is the regulatory authority relating to aviation matters in the European Union or any authorities or persons which replace it from time to time;

"Equipment" means all fixed and other plant and machinery, computers, vehicles (other than any aircraft), office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent they are part of its stock in trade);

"Equity Loan Stock" means the variable funding subordinated bond due 2031 (including the principal amount outstanding from time to time of such bond) issued by Barbados Enterprises Plc (and any further equity loan stock issued from time to time) in accordance with the terms of the equity loan stock instrument made between the Company as original equity loan stockholder and Barbados Enterprises Plc as issuer dated 8 December 2015 (as amended, restated and/or supplemented from time to time);

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

"Excluded Account" means the Bank Accounts listed as "Excluded Accounts" in the Accounts Schedule and any Bank Account designated after the date of this Deed as an Excluded Account by the Company and the Security Agent:

- (a) prior to the New Money Discharge Date, in accordance with the New Money Facility Agreement; and
- (b) after the New Money Discharge Date, if the Company certifies to the Security Agent that such designation is permitted under the Primary Creditor Finance Documents or otherwise acting on the instructions of the Instructing Group,

and specified as such in any updated Accounts Schedule (including any updated Accounts Schedule accompanying a Security Accession Deed) and any replacement account or any sub-division or sub-account of those Bank Accounts;

"Excluded Assets" means:

- (a) any asset of a Chargor if the granting of Security in respect of such asset would contravene any legal, regulatory or contractual prohibition or restriction or have the

potential to result in a material risk of personal or criminal liability on the party of any director or officer of or for any member of the Group;

- (b) the Cargo Receivables;
- (c) any assets (other than the Equity Loan Stock) which are the subject of the Barbados Securitisation Documents for so long as the securitisation programme referred to as "Barbados" (or any related or equivalent programme or any refinancing or replacement thereof) remains in place;
- (d) any interest of the Parent in Connect Airways Limited;
- (e) the New Money Excess Cashflow Account; and
- (f) any interest of a Chargor in respect of any aircraft or engine which is leased by that Chargor from a third party on a pure operating lease basis, including any aircraft or engine leased pursuant to a JOLCO Lease (but excluding, for the avoidance of doubt, the Aircraft, the A350 Lease and any interest of a Chargor under or in respect of any other finance lease in respect of an aircraft or engine (including the Finance Lease Recoveries));

"Excluded Inventory Parts" means any Inventory Part that is:

- (a) owned by a third party;
- (b) installed on an airframe or engine which is subject to a lease or Permitted Security under the terms of which title to such Inventory Part is, at the date of this deed, vested in or which transfers to the lessor under such lease or which is, at the date of this deed or on installation becomes, subject to such Permitted Security; or
- (c) subject to a lease or Permitted Security of or over an aircraft or engine, under the terms of which title to such Inventory Part is retained by the lessor under such lease or which remains subject to such Permitted Security on being removed from such aircraft or engine for so long as remaining subject thereto under the terms of such lease or Permitted Security.

"Excluded Material Contracts" means any Material Contract, the terms of which prohibit the relevant Chargor from mortgaging, charging, granting security over or assigning its rights thereunder (but only to the extent so prohibited);

"Expendable" means a component which is designed for use for a single cycle and which is not intended to be repaired, over-hauled or re-installed on the flight equipment for which it is designed for use;

"FAA" means the Federal Aviation Administration of the Department of Transportation and the National Transportation Safety Board of the United States of America or any authorities or persons which replace them from time to time;

"Finance Leases" means the lease agreements referred to in the definition of "Finance Lease Recoveries";

"Finance Lease Recoveries" means:

- (a) in relation to the lease agreement dated 25 April 2019 between Astrée S.A.S. as lessor and the Company as lessee in respect of an Airbus A350-1000 with manufacturer's serial number 319, the amounts payable to the Company in connection with such lease agreement, including pursuant to clause 16.3 (Return of surplus proceeds) of the All Parties Agreement (as such term is defined in such lease agreement);

- (b) in relation to the lease agreement dated 22 April 2015 between Jin Shan 6 Ireland Company Limited as lessor and the Company as lessee in respect of a Boeing 787-9 with manufacturer's serial number 37971, the amounts payable to the Company in connection with such lease agreement, including pursuant to clause of 15.3.2(b)(iii) (Payments) of such lease agreement;
- (c) in relation to the lease agreement dated 22 August 2019 between, among others, POP Leasing LLC as the lessor and the Company as lessee in respect of an Airbus A350-1000 with manufacturer's serial number 298, the amounts payable to the Company in connection with such lease agreement, including pursuant to clause 34(a) (Application of Aircraft Proceeds) of the Participation Agreement (as such term is defined in such lease agreement);
- (d) in relation to the lease agreement dated 23 September 2019 between Lux Leasing Limited as lessor and the Company as lessee in respect of an Airbus A350-1000 with manufacturer's serial number 336, the amounts payable to the Company in connection with such lease agreement, including pursuant to clause of clause 9.1.11 (Application of Proceeds) of the Proceeds and Intercreditor Agreement (as such term is defined in such lease agreement); and
- (e) in relation to lease agreement dated 18 December 2014 between EMP Aviation Finance I DAC as lessor and the Company as lessee in respect of a Boeing 787-9 with manufacturer's serial number 37972, amounts payable to the Company in connection with such lease agreement, including pursuant to clause of 15.3.2(b)(iii) (Payments) of such lease agreement;

"Floating Charge Asset" means an asset charged under clause 3.7 (Floating Charge);

"Framework Agreement" means the framework agreement originally dated 30 October 2015 between, amongst others, Barbados Enterprises Plc, the Company and Virgin Atlantic International Limited, as amended, restated or supplemented from time to time;

"Governmental Authority" 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;

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

"Initial Aircraft Inventory Valuation Report" has the meaning given to such term in the New Money Facility Agreement;

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

"Insurance Proceeds" means:

- (a) in respect of the Aircraft, any and all amounts payable in consequence of a claim under any of the Insurances, other than amounts payable in consequence of a claim under the liability insurances;
- (b) in respect of Aircraft Inventory, any and all amounts payable in consequence of a claim under any policy of insurance in which the Company has rights with respect to such Aircraft Inventory; and

- (c) in respect of each Other Chargor, any and all amounts payable in consequence of a claim under any policy of insurance in which that Other Chargor has rights with respect to its Charged Property,

in each case, excluding any third party liability insurance proceeds;

"Insurance Property" means, in respect of the Aircraft, any and all of the right, title and interest (present and future, actual and contingent) of the Lessor in and to the Insurances (including any Insurance Proceeds), including, without limitation, the right to compel performance by the insurers of their obligations in respect of the Insurances, provided that, for the avoidance of doubt, "Insurance Property" shall not include the contract or policy of insurance itself;

"Insurances" means, in respect of the Aircraft, any and all contracts or policies of insurance (including reinsurance) to be maintained under the A350 Lease in relation to the Aircraft;

"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all physical material in which any such intellectual property might be incorporated including the intellectual property rights (if any) listed in schedule 5 (Intellectual Property) or in any Security Accession Deed;

"Intercreditor Agreement" means the intercreditor agreement made between the Chargors as debtors, the Security Agent as security agent and others dated on or about the date of this deed;

"International Interest" has the meaning given to such term in the Cape Town Convention;

"International Registry" has the meaning given to such term in the Cape Town Convention;

"Intra-Group Loans" means the loans (if any) made by a Chargor to any member of the Group (other than Virgin Atlantic International Limited), including the loans listed in schedule 4 (Intra-Group Loans) or in any Security Accession Deed;

"Inventory Parts" means from time to time and at any particular time, all appliances, parts, accessories, instruments, navigational and communications equipment, furnishings, components and other items of equipment (other than complete engines), whether or not ever incorporated or installed in or attached to an airframe or engines, including Rotables, Repairables, Expendables and Consumables, which in each case are owned by a Chargor, and which are not at that time installed in or attached to an airframe or otherwise subject to any Permitted Security;

"Inventory Technical Records" means the applicable certificates of release to service or equivalent forms in the case of Inventory Parts in Serviceable Condition and, in relation, to all Inventory Parts, all records, logs, manuals (to the extent of the Chargor's rights to keep copies and use the same), data, tags and other materials and documents at any time required to be created and/or maintained by a Chargor by the FAA, EASA or any other relevant Governmental Authority or any relevant aviation law, together with all replacements, additions, updates, revisions and renewals made to them from time to time, and all sights derived therefrom;

"Investments" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable)

whether owned directly by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf (including the Subsidiary Shares);

"JOLCO Lease" means each of:

- (a) the lease agreement dated 14 April 2016 between FLIP No. 103 Co., Ltd., FLIP No. 104 Co., Ltd. and FLIP No. 105 Co., Ltd as the lessors, FLIP NO. 103 Co., Ltd as the representative lessor and the Company as lessee relating to an aircraft with manufacturer serial number 37974 and bearing registration mark G-VOWS;
- (b) the lease agreement dated 18 April 2018 between FLIP No.184 Co., Ltd. and FLIP No.185 Co., Ltd as the lessors, FLIP No. 184 Co., Ltd as the representative lessor and the Company as lessee relating to an aircraft with manufacturer serial number 38047 and bearing registration mark G-VMAP; and
- (c) the lease agreement dated 24 July 2019 between FLIP No. 231 Co., Ltd., FLIP No. 232 Co., Ltd. and FLIP No. 233 Co., Ltd. as the lessors, FLIP No. 231 Co., Ltd. as representative lessor and the Company as lessee relating to an aircraft with manufacturer serial number 274 and bearing registration mark G-VLUX;

"Landlord Waiver Conditions" means the conditions set out in schedule 9 (Landlord Waiver Conditions);

"Landlord Waiver Letters" means any agreement made between the Security Agent and the landlord or licensor of a Secured Designated Location containing the Landlord Waiver Conditions or such other conditions as the Security Agent may agree, acting reasonably, and any other documentation which the Security Agent may reasonably require from any other party with rights of access to a Secured Designated Location evidencing the rights of the Security Agent in respect of the Aircraft Inventory located at such Secured Designated Location;

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

"Lessor" means Virglease (4) Limited (a company incorporated in England and Wales with registered number 12814173);

"Material Company" means, at any time:

- (a) each Chargor listed in schedule 1 (Chargors); and
- (b) any other Material Company (as defined in the Initial New Money Facility Agreement (or any Refinancing Equivalent in any Refinancing New Money Facility Agreement));

"Material Contracts" means all customer and supply contracts entered into by a Chargor pursuant to which that Chargor is entitled to receive cash payments from the counterparty(ies) thereunder (excluding the Excluded Material Contracts), including the contracts listed in the Material Contracts Schedule;

"Material Contracts Schedule" means the schedule setting out each Material Contract which has contributed revenue to the Group which is equal to or which exceeds £1,000,000 (or its equivalent in any other currency) or in accordance with the terms of the relevant Material Contract, shall contribute or is expected to contribute revenue to the Group which is equal to or which exceeds £1,000,000 (or its equivalent in any other currency) over the life of the relevant Material Contract (in each case excluding any airline sales contracts with customers for passenger and/or freight services) and delivered to the Security Agent on or prior to the date of this deed (as may be updated and supplemented from time to time);

"Material Event of Default" means an Event of Default under clauses 23.1 (Non-Payment), 23.2 (Financial Covenants and Other Obligations) in relation to a breach of clause

21 (Financial Covenants), 23.6 (Insolvency) or clause 23.7 (Insolvency Proceedings) of the New Money Facility Agreement which is continuing;

"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 Excess Cashflow Account" means the "Mandatory Prepayment Account" to be opened after the date of this deed under the Initial New Money Facility Agreement and into which any amounts required to be applied in mandatory prepayment under the Initial New Money Facility Agreement in respect of "Excess Cashflow" (as defined in the Intercreditor Agreement) may be transferred pending their application in such mandatory prepayment;

"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;

"Operating Accounts" means all current, deposit or other Bank Accounts opened or maintained by a Chargor from time to time (excluding the Blocked Accounts, the New Money Excess Cashflow Account and any Excluded Accounts), including those listed as "Operating Accounts" in the Accounts Schedule or in any updated Accounts Schedule (including any updated Accounts Schedule accompanying any Security Accession Deed), and any replacement account or any sub-division or sub-account of those Bank Accounts;

"Original Secured Designated Location" means:

- (a) the Virgin Atlantic Heathrow Hangar Store at London Heathrow Airport;
- (b) the B&V Warehouses; and
- (c) the property known as "the Base" located at Fleming Way, Crawley, West Sussex RH10 9LX;

"Other Chargers" means the Chargers other than the Parent, the Company, the Lessor and the US Chargor;

"Permitted Security" means any Security (other than the Transaction Security) that is:

- (a) prior to the New Money Discharge Date, permitted by the New Money Facility Agreement; and
- (b) not otherwise prohibited or restricted pursuant to any of the other Primary Creditor Finance Documents;

"Primary Chargers" means the Chargers other than the US Charger;

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

"Property" means all freehold, commonhold, heritable and leasehold property and the buildings and fixtures (including trade fixtures) on that property from time to time including the property (if any) listed in schedule 2 (Property) or in any Security Accession Deed (but excluding any unregistered Property which (except as otherwise agreed between the Company and the Security Agent) is a leasehold property that has 7 years or less to run on the lease or has a rack-rent payable in respect thereof);

"RCF Recoveries" means the amounts payable to the Company in connection with the Revolving Facility Agreement, including pursuant to clause 29.7 (Application of Collateral Proceeds and Total Loss Proceeds) of the Revolving Facility Agreement;

"Receiver" means a receiver or receiver and manager in each case appointed under this deed;

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of that asset or any part of that asset;
- (b) all dividends, distributions, interest and/or other income paid or payable in relation to that asset (including on any Investment, Deposit and Investment Account and Equity Loan Stock), together with all shares or other property derived from that asset and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that asset (whether by way of conversion, redemption, bonus, preference, option, refund, rebate (including refunds and rebates in respect of any tax, duties or charges) or otherwise);
- (c) any monies and proceeds paid or payable in relation to that asset;
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of that asset; and
- (e) the benefit of all other rights, powers, claims, consents, contracts, warranties, security, guarantees, indemnities or covenants for title in respect of that asset;

"Repairables" means components which in the normal course of operations are capable of repair and re-installation on the flight equipment for which they are designed for use but which have a limited repair life;

"Requisition Compensation" means all monies and other compensation payable by any Government Authority or other competent authority in respect of any Compulsory Acquisition or any requisition for use or hire of the Aircraft;

"Revolving Facility Agreement" means the revolving facility agreement made between the Company as borrower, Lloyds Bank plc as agent and security agent and others dated 17 January 2018 (as amended, restated and/or supplemented from time to time);

"Rotables" means components which in the normal course of operations are repeatedly and economically restored to a Serviceable Condition over a period exceeding the life of the flight equipment for which they are designed for use;

"Secured Designated Locations" means the Original Secured Designated Locations and any Additional Secured Designated Location;

"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 Accession Deed" means a deed executed by a member of the Group substantially in the form set out in schedule 10 (Form of Security Accession Deed);

"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;

"Serviceable Condition" means, in respect of any Rotable or Repairable, that it has a current certificate of release to service EASA Form-1 or FAA Form 8130-1 and any updated equivalent EASA or FAA release certificate and in the case of Repairables, has back to birth records of time or cycles since new;

"Software" means the software used from time to time to access and use the Inventory Technical Records, to track the number, location and status of the Aircraft Inventory and to produce reports thereon;

"Systems" means any systems, equipment, hardware and software used to use, access, create, process or store the Inventory Technical Records, to track the number, location and status of the Aircraft Inventory or to generate reports from time to time, including (without limitation) the Software;

"Systems Agreements" means the agreements or arrangements into which the Chargors enter or have entered with third parties in relation to the provision, licensing, access to or use of the Systems from time to time;

"Subsidiary" has the meaning given to such term in the Intercreditor Agreement;

"Subsidiary Shares" means all shares owned by:

- (a) the Parent in the Company; and
- (b) any Chargor (other than the Parent) in each Material Company incorporated in England and Wales and the Lessor,

including the shares (if any) listed in schedule 3 (Subsidiary Shares) or in any Security Accession Deed;

"Termination Notice" means the form of notice in respect of the termination of the A350 Lease agreed between the Security Agent, the Lessor and the Company;

"Transaction Security" has the meaning given to such term in the Intercreditor Agreement;

"US Chargor" means Virgin Incoming Services, Inc. (a Florida corporation with registered number P94000079381); and

"Warranty Claims" means all claims against a manufacturer, supplier or repairer and any proceeds therefrom.

1.2 Construction

- (a) In this deed, 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 deed unless otherwise defined in this deed;

- (ii) the principles of construction contained in clause 1.2 (Construction) of the Intercreditor Agreement apply equally to the construction of this deed, except that references to the Intercreditor Agreement will be construed as references to this deed;
 - (iii) any "**Chargor**", 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;
 - (iv) this "**deed**" includes any Security Accession Deed;
 - (v) a "**Debt Document**", "**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;
 - (vi) "**including**" means including without limitation and "**includes**" and "**included**" shall be construed accordingly;
 - (vii) "**losses**" includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and "**loss**" shall be construed accordingly; and
 - (viii) any clause or schedule is a reference to, respectively, a clause of and schedule to this deed and any reference to this deed includes its schedules.
- (b) The terms of the documents under which the Secured Obligations arise relating to the Secured Obligations are incorporated in this deed to the extent required for any purported disposition of any Property contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
 - (c) The parties intend that this document shall take effect as a deed, notwithstanding the fact that a party may only execute it under hand.
 - (d) Where an action or provision requires the consent or the discretion of, or designation by, the Security Agent, such consent, discretion or designation by the Security Agent:
 - (i) may be provided if it is permitted by each and all of the Primary Creditor Finance Documents; and
 - (ii) shall be exercised in accordance with the instructions of the Instructing Group.
 - (e) After the New Money Discharge Date, references in this deed to "a Material Event of Default which is continuing" shall be construed as "an Acceleration Event which is continuing".
 - (f) Any reference to an "Acceleration Event" is to be construed as an "Acceleration Event which is continuing" and any Acceleration Event is continuing if it has not been waived by the Primary Creditor to which that Acceleration Event relates.

1.3 Third Party Rights

- (a) Any Receiver or Delegate will have the right to enforce the provisions of this deed which are given in its favour however the consent of a Receiver or Delegate is not required for the rescission or variation of this deed.

- (b) Subject to paragraph (a) above, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed.

2. **COVENANT TO PAY**

2.1 **New Money Secured Obligations**

Each Chargor 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.

2.2 **Other Secured Obligations**

Without prejudice to clause 2.1 (New Money Secured Obligations):

- (a) each Chargor covenants with the Security Agent (for the benefit of the Secured Parties (except for the New Money Creditors)) that it will on demand pay the Secured Obligations (other than the New Money Secured Obligations) in the manner provided for in the relevant Primary Creditor Finance Documents; and
- (b) without prejudice to any rights that any Secured Party may have under any Primary Creditor Finance Document to which it is party, the recourse under paragraph (a) above of the Secured Parties (other than for the Security Agent (on behalf of itself and any Receiver or Delegate) and the New Money Creditors) to each Chargor under this deed shall be limited to the proceeds of enforcement of the Charged Property owned by it.

3. **CHARGING CLAUSE**

3.1 **Parent Fixed Charge and Assignment**

- (a) The Parent, as security for the payment, performance and discharge of the Secured Obligations, charges in favour of the Security Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights, by way of fixed charge:
 - (i) all Subsidiary Shares;
 - (ii) all Blocked Accounts; and
 - (iii) to the extent not effectively assigned by paragraph (b) below, the Assigned Agreements.
- (b) As further security for the payment and discharge of the Secured Obligations, the Parent assigns absolutely with full title guarantee in favour of the Security Agent all its right, title and interest in the Assigned Agreements, both present and future, and all Related Rights, provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of Parent re-assign the relevant rights, title and interest in the assigned assets to the Parent (or as it shall direct).

3.2 **Lessor Fixed Charges**

The Lessor, as security for the payment and discharge of the Secured Obligations, charges in favour of the Security Agent with full title and guarantee all of its right, title and interest in the Assigned Agreements, the Requisition Compensation and the Insurance Property, both present and future, from time to time owned by it or in which it has an interest and,

in each case, all Related Rights by way of fixed charge, to the extent not effectively assigned by clause 3.5 (Security Assignment).

3.3 **Company Fixed Charges**

Subject to clause 3.10 (Excluded Assets), the Company, as security for the payment, performance and discharge of the Secured Obligations, charges in favour of the Security Agent with full title and guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights by way of first fixed charge:

- (a) all Subsidiary Shares;
- (b) all Investments (other than Subsidiary Shares);
- (c) all Equity Loan Stock;
- (d) all Insurance Proceeds;
- (e) all RCF Recoveries;
- (f) all Finance Lease Recoveries;
- (g) all Blocked Accounts;
- (h) all Deposit and Investment Accounts; and
- (i) to the extent not effectively assigned by clause 3.5 (Security Assignment) the Assigned Agreements.

3.4 **Other Chargor Fixed Charges**

Subject to clause 3.10 (Excluded Assets), each Other Chargor, as security for the payment, performance and discharge of the Secured Obligations, charges in favour of the Security Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights:

- (a) by way of first legal mortgage, all Property; and
- (b) by way of first fixed charge:
 - (i) all other interests (not effectively charged under clause 3.4(a)) in any Property;
 - (ii) all Subsidiary Shares;
 - (iii) all Investments (other than Subsidiary Shares);
 - (iv) all Book Debts;
 - (v) all Blocked Accounts;
 - (vi) all Deposit and Investment Accounts;
 - (vii) all Intellectual Property;
 - (viii) all Equipment;
 - (ix) all Insurance Proceeds;

- (x) its goodwill and uncalled capital; and
- (xi) to the extent not effectively assigned by clause 3.5 (Security Assignment) the Assigned Agreements.

3.5 **Security Assignment**

Subject to clause 3.10 (Excluded Assets), as further security for the payment, performance and discharge of the Secured Obligations, each Primary Chargor (other than the Parent) assigns absolutely with full title guarantee in favour of the Security Agent all its right, title and interest in the Assigned Agreements, the Requisition Compensation and the Insurance Property, both present and future, and, in each case, all Related Rights, provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of the relevant Primary Chargor re-assign the relevant rights, title and interest in the assigned assets to that Primary Chargor (or as it shall direct).

3.6 **Fixed Security**

Clauses 3.1 (Parent Fixed Charge and Assignment) to 3.5 (Security Assignment) (inclusive) shall be construed as creating a separate and distinct mortgage, fixed charge or security assignment over each relevant asset within any particular class of Charged Property specified in this deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

3.7 **Floating Charge**

Subject to clause 3.10 (Excluded Assets), as further security for the payment, performance and discharge of the Secured Obligations:

- (a) the Company charges with full title guarantee in favour of the Security Agent by way of first floating charge all its present and future Aircraft Inventory, Operating Accounts and (to the extent not effectively charged by way of fixed charge under clause 3.3 (Company Fixed Charges) or assigned under clause 3.5 (Security Assignment)) all other Charged Property of the Company;
- (b) each Primary Chargor (other than the Company) charges with full title guarantee in favour of the Security Agent by way of first floating charge all its present and future assets not effectively charged by way of fixed charge under clause 3.1 (Parent Fixed Charge and Assignment), 3.2 (Lessor Fixed Charges), clause 3.4 (Other Chargor Fixed Charges) or assigned under clause 3.5 (Security Assignment); and
- (c) the US Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge all its present and future Operating Accounts opened or maintained by the US Chargor in England and Wales.

3.8 **Conversion of Floating Charge**

- (a) Subject to paragraph (b) below, if:
 - (i) an Acceleration Event has occurred; or
 - (ii) the Security Agent is of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy; or
 - (iii) it is necessary in the view of the Security Agent (acting reasonably) to protect or preserve the security created under this deed over any of the Charged Property and the priority of that security,

the Security Agent may, by notice to any Chargor, convert the floating charges created under this deed into a fixed charge with immediate effect as regards those assets which it specifies in the notice.

- (b) Subject to paragraph (c) below, the floating charges created under this deed may not be converted into a fixed charge in relation to a Chargor solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 in relation to that Chargor under Part A1 of the Insolvency Act 1986.
- (c) Paragraph (b) above does not apply if a floating charge created under this deed is a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

3.9 **Automatic Conversion of Floating Charge**

If:

- (a) any Chargor creates (or purports to create) any Security in breach of clause 6.3 (Negative Pledge) over any Floating Charge Asset;
- (b) any person levies or attempts to levy any distress, attachment, execution or expropriation against any Floating Charge Asset; or
- (c) a petition is presented, a resolution is passed or an order is made for the winding-up, dissolution or administration of the Company or an administrator is appointed in respect of the Company other than any winding-up petition which is demonstrably frivolous or vexatious and is discharged, stayed or dismissed within 30 days;

the floating charge created under this deed over the relevant Floating Charge Asset will automatically and immediately be converted without notice into a fixed charge.

3.10 **Excluded Assets**

- (a) Subject to paragraphs (b) and (c) below, any Excluded Assets shall not be subject to the security created by or pursuant to this deed or any Security Accession Deed or the terms of clause 4 (Further Assurance).
- (b) Any asset of a Chargor which is excluded pursuant to paragraph (a) above shall, upon ceasing to be an Excluded Asset, become automatically and immediately subject to the Security created by this deed.
- (c) Paragraph (a) above shall not apply with respect to the Security created by the Parent under clause 3.1 (Parent Fixed Charge and Assignment) or any Security created by the Lessor and the US Chargor pursuant to this deed.

4. **FURTHER ASSURANCE**

- (a) Each Chargor 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 Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
 - (i) to perfect the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the

Security Agent, any Receiver or the Secured Parties provided by or pursuant to this deed 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 deed.
- (b) Each Chargor shall take all such action as is available to it (including making all filings and registrations, executing any mortgage, charge, transfer, assignment or assurance) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this deed.
- (c) Without limiting any other provisions of the Primary Creditor Finance Documents, the Lessor and the Company will:
 - (i) co-operate in connection with the execution and filing of any applications, registrations, amendments or de-registrations with the International Registry, as directed by the Security Agent from time to time to ensure the validity, enforceability and first priority of any International Interest registered hereunder;
 - (ii) consent to the registration of any International Interest as directed by the Security Agent at the International Registry and will not register any conflicting interests (whether or not taking priority over the International Interests) at the International Registry without the prior written consent of Security Agent;
 - (iii) not allow any interests conflicting with or ranking prior to those of the Security Agent to be created, nor registered at the International Registry without the prior written consent of the Security Agent; and
 - (iv) register itself as a transacting user entity with the International Registry and shall not revoke such registration without Security Agent's prior written consent.

5. REPRESENTATIONS AND WARRANTIES

5.1 Matters Represented

The representations and warranties set out in this clause 5 (Representations and Warranties) are made on:

- (a) the date of this deed;
- (b) the date of each Utilisation Request and Utilisation Date (in each case, as defined in the Initial New Money Facility Agreement or any Refinancing Equivalent in the Refinancing New Money Facility Agreement);
- (c) in respect of clause 5.3 (Subsidiary Shares) and paragraphs (a), (b) and (f) of clause 5.6 (Other Charged Property) only:
 - (i) the first day of each Interest Period (as defined in the Initial New Money Facility Agreement or any Refinancing Equivalent in the Refinancing New Money Facility Agreement); and
 - (ii) on the Original Termination Date (as defined in the Initial New Money Facility Agreement).

5.2 **Property**

Each Other Chargor represents and warrants to the Security Agent that schedule 2 (Property) identifies all Property situated in England and Wales which is beneficially owned by it as at the date of this deed. There are no proceedings, actions or circumstances relating to any of that Property which materially and adversely affect the value of that Property or its ability to use that Property for the purposes for which it is currently used.

5.3 **Subsidiary Shares**

Each Primary Chargor represents and warrants to the Security Agent that:

- (a) it is the legal and beneficial owner of the Subsidiary Shares identified against its name in schedule 3 (Subsidiary Shares) (save in relation to those Subsidiary Shares which are held by a nominee for it, in which case it is the beneficial owner only of those Subsidiary Shares); and
- (b) all of the Subsidiary Shares are fully paid.

5.4 **Location of Aircraft Inventory**

The Company represents and warrants to the Security Agent that:

- (a) it has such rights of access and/or possession to the Secured Designated Locations as are necessary to ensure that its ownership of the Aircraft Inventory held in those Secured Designated Locations is valid and enforceable in the jurisdiction of the relevant Secured Designated Location;
- (b) each Secured Designated Location other than the B&V Warehouses is leased, owned or licensed by a Chargor; and
- (c) over 83% (in value) of its Aircraft Inventory is located in the United Kingdom and at least 80% of that Aircraft Inventory located in the United Kingdom is located in Secured Designated Locations, in each case, as at the date of this deed.

5.5 **Systems**

The Company represents and warrants to the Security Agent that it owns, and/or has Systems Agreements in place with third parties to use and maintain, such Systems as are required to:

- (a) use, access, create, process and store the Inventory Technical Records;
- (b) track the number, location and status of the Aircraft Inventory; and
- (c) generate the data required to produce reports in respect of the Aircraft Inventory.

5.6 **Other Charged Property**

Each Chargor represents and warrants to the Security Agent that:

- (a) the Charged Property is free from Security other than Permitted Security and the Transaction Security;
- (b) (i) with respect to the Primary Chargors, the list of Deposit and Investment Accounts, Operating Accounts, Blocked Accounts and Excluded Accounts in the Accounts Schedule most recently delivered to the Security Agent identifies the full list of its Deposit and Investment Accounts, Operating Accounts, Blocked Accounts and Excluded Accounts; and

- (ii) with respect to the US Chargor, the list of Operating Accounts in the Accounts Schedule most recently delivered to the Security Agent identifies the full list of its Operating Accounts in England and Wales;
 - (c) with respect to the Primary Chargors, the list of Intra-Group Loans in schedule 4 (Intra-Group Loans) identifies all Intra-Group Loans (other than any Excluded Assets) of each Primary Chargor as at the date of this deed;
 - (d) with respect to the Primary Chargors (other than the Company), the list of Intellectual Property in schedule 5 (Intellectual Property) identifies the full list of registered Intellectual Property (other than any Excluded Assets) of each Primary Chargor (other than the Company) as at the date of this deed;
 - (e) with respect to the Primary Chargors, to the best of its knowledge and belief (having made due and careful enquiry), the Material Contracts Schedule delivered to the Security Agent prior to the date of this deed identifies the full list of Material Contracts as at the date of this deed required to be identified thereunder; and
 - (f) no litigation, arbitration or administrative proceedings or investigations of, or before any court, arbitral body or agency which are reasonably likely to be adversely determined and which, if adversely determined, are reasonably likely to have a material adverse effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started in respect of any Charged Property.
- 5.7 The Company represents and warrants to the Security Agent that it has obtained consent to grant a fixed charge over the Finance Lease Recoveries from the relevant finance lessors in relation thereto.
- 5.8 The Company represents and warrants to the Security Agent on the date of this deed that as at such date the Chargors listed in schedule 1 (Chargors) constitute (in addition to the Parent and the Company) each Subsidiary of the Parent (other than VAA Holdings Jersey Limited, Virgin Atlantic International Limited and Barbados Enterprises plc, together the "**Slot Securitisation Entities**") which has earnings before interest, tax, depreciation and amortisation (excluding intra-Group items), calculated on the same basis as consolidated EBITDA, representing 5 per cent. or more of consolidated EBITDA, or which has gross assets, net assets or turnover (in each case, excluding intra-Group items) representing 5 per cent. or more of the gross assets, net assets or turnover of the Group, calculated on a consolidated basis but in each case excluding the Slot Securitisation Entities for the purposes of such calculations.

6. **UNDERTAKINGS - GENERAL**

6.1 **Duration of Undertakings**

All of the undertakings given in this deed are given from the date of this deed and for so long as any security constituted by this deed remains in force.

6.2 **General Undertakings**

- (a) Each Chargor shall maintain its existence and obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation of its stage of organisation to enable it to preserve its existence and perform its obligations under this deed.
- (b) Each Chargor shall comply in all material respects with all laws to which it may be subject, if failure to do so would prevent it from performing its obligations under this deed.

6.3 **Negative Pledge**

No Chargor may create or agree to create or permit to subsist any Security or Quasi-Security over all or any part of the Charged Property except Permitted Security and the Transaction Security.

6.4 Preservation of Charged Property

- (a) No Chargor shall, without the prior written consent of the Security Agent, take any action which has or is reasonably likely to have the effect of prejudicing the Security created under this deed.
- (b) Each Chargor will observe and perform all covenants which it is obliged to undertake in respect of the Charged Property and take all steps which are necessary to preserve, maintain and renew when necessary all the Charged Property, except as otherwise permitted by each and all of the Primary Creditor Finance Documents.
- (c) No Chargor may vary any lease, licence, contract or other document relevant to its interest in any Charged Property where such variation would have a material adverse effect on the value of the relevant Charged Property or the rights of the Secured Parties, except as otherwise permitted by each and all of the Primary Creditor Finance Documents.
- (d) Each Chargor will enforce the due observance and performance of all covenants given for its benefit in relation to the Charged Property, where failure to do so would have a material adverse effect on the relevant Charged Property or the rights of the Secured Parties.
- (e) Each Chargor will not agree to any material amendment to, or give any consent, waiver or approval under, any of the Assigned Agreements if such amendment, consent, waiver or approval would have a material adverse effect on the relevant Assigned Agreement, except as otherwise permitted by each and all of the Primary Creditor Finance Documents.
- (f) The Lessor will not agree to any termination or cancellation of the A350 Lease other than in accordance with the terms of the A350 Lease or an Airbus A350 Refinancing.

6.5 Documents Relating to Charged Property

- (a) Without prejudice to any specific requirements in this deed for the delivery of documents, each Chargor will promptly deliver to the Security Agent all documents relating to the Charged Property which the Security Agent from time to time reasonably requires following the occurrence of an Event of Default which is continuing.
- (b) The Security Agent may retain any document delivered to it under this deed for so long as any security constituted by this deed remains in force and, if for any reason it returns any document to the relevant Chargor (or its nominee) before that time, it may by prior written notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply (or procure compliance) with that notice to the extent the relevant Chargor is not incapable of doing so.

6.6 Lessor Undertakings

- (a) The Lessor shall limit its business exclusively to the acquisition, financing, owning, leasing and disposal of the Aircraft and the transaction contemplated by each and all of the Primary Creditor Finance Documents to which it is a party and matters incidental to them and shall not incur any indebtedness or other liability other than as permitted by each and all of the Primary Creditor Finance Documents.

- (b) The Lessor shall observe all formalities necessary to remain a legal entity separate from any other person.

6.7 **Power to Remedy**

If a Chargor fails to comply with any undertaking given in this deed and that failure is not remedied to the satisfaction of the Security Agent within 5 days of the Security Agent notifying the Company that remedy is required, it will allow (and irrevocably authorises) the Security Agent, or any Delegate, to take any action on behalf of that Chargor which is necessary to ensure that those covenants are complied with.

7. **PROPERTY**

7.1 **Maintenance**

Each Other Chargor will keep in good and substantial repair all of the Property in which it has an interest.

7.2 **Inspection**

Following the occurrence of a Material Event of Default which is continuing or an Acceleration Event, each Other Chargor will permit the Security Agent and any person nominated by the Security Agent to enter into any Property which is part of the Charged Property in which it has an interest at all reasonable times during business hours and on not less than 24 hours' notice to view the state and condition of that Property and will remedy any material defect or want of repair forthwith after service by the Security Agent of notice of the defect or want of repair.

7.3 **Property Acquisitions**

Each Other Chargor will promptly (and, in any event, within 10 Business Days) notify the Security Agent if it acquires, or enters any agreement to acquire, any interest in Property.

7.4 **Leases**

Each Other Chargor shall:

- (a) comply in all material respects with all covenants and conditions applicable to it (whether as lessor, lessee or in any other capacity) contained in any lease, licence or other document relevant to its interest in any Property; and
- (b) give immediate notice to the Security Agent if it receives any notice under section 146 of the Law of Property Act 1925 or any proceedings are commenced against it for the forfeiture of any lease of any Property.

7.5 **Perfection of Property Security**

- (a) Each Other Chargor will, promptly following execution of this deed or (if later) within 20 Business Days of a request from the Security Agent following notification of an acquisition of a Property in accordance with clause 7.3 (Property Acquisitions) above, deposit with the Security Agent (or as it shall direct) certified copies of all deeds and documents of title relating to all Property in which it has an interest and, if those deeds and documents are with the Land Registry, will promptly deposit them with the Security Agent (or as it shall direct) upon their release.
- (b) In relation to Property situated in England and Wales and charged by way of legal mortgage under this deed, each Other Chargor hereby irrevocably consents to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Property in which it has an interest (including any

unregistered properties subject to compulsory first registration at the date of this deed) on the prescribed Land Registry form and in the following or substantially similar terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [●] (as security agent) referred to in the charges register."

- (c) Subject to the terms of each and all of the Primary Creditor Finance Documents, the Primary Creditors are under an obligation to make further advances (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances. In relation to Property which is situated in England and Wales and charged by way of legal mortgage under this deed, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Property (including any unregistered Property subject to compulsory first registration at the date of this deed) that there is an obligation to make further advances on the security of the registered charge.

8. INVESTMENTS

8.1 Voting and Distribution Rights

- (a) Until an Acceleration Event occurs, the relevant Chargor may:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from the Investments; and
 - (ii) exercise all voting and other rights and powers attaching to the Investments provided that it may not exercise any such voting or other rights or powers to the extent prohibited by any Primary Creditor Finance Document or which may be prejudicial to the value of the Investments or the realisation of the same.
- (b) On and after the occurrence of an Acceleration Event:
 - (i) the relevant Chargor will promptly pay all dividends, distributions and other monies paid on or derived from the Investments into a Blocked Account (and the relevant Chargor shall promptly identify such Blocked Account to the Security Agent promptly thereafter); and
 - (ii) the Security Agent may (in its sole discretion) directly or indirectly (by instruction to the relevant legal owner of the relevant Investments) exercise, refrain from exercising or disclaim any right to exercise any voting or other rights and powers attaching to the Investments. Any exercise of such voting rights may only be for the purpose of preserving the value of the security given by this deed or facilitating the realisation of it. The relevant Chargor will promptly comply with any direction given by the Security Agent in relation to the exercise of voting or other rights and powers. Any such disclaimer will confer on the relevant Chargor the authority to direct the exercise of the disclaimed right, as if an Acceleration Event had not occurred, in accordance with paragraph (a)(ii) above.
- (c) At any time when any Investments are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up

of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments.

8.2 **Perfection of Share Security**

Each Primary Chargor (other than the Lessor) will:

- (a) promptly following the execution of this deed; or
- (b) (if later) promptly (and, in any event, within 5 Business Days) following (x) acquisition by a Primary Chargor of Subsidiary Shares or (y) delivery of a Compliance Certificate with each set of Annual Financial Statements (in each case, to the extent required by and as defined in the New Money Facility Agreement) disclosing that a member of the Group owned by a Primary Chargor has become a Material Company,

deposit with the Security Agent (or as it shall direct) all stock and share certificates and other documents of title relating to the Subsidiary Shares in which it has an interest together with stock transfer forms executed in blank and left undated on the basis that:

- (i) the Security Agent shall be able to hold such documents of title and stock transfer forms until the Secured Obligations have been irrevocably and unconditionally discharged in full or the Security over such Subsidiary Shares is released in accordance with the terms of the Intercreditor Agreement; and
- (ii) the Security Agent shall be entitled, at any time, following the occurrence of a Material Event of Default which is continuing or an Acceleration Event to complete, under its power of attorney given by clause 14 (Attorney) below, the stock transfer forms on behalf of the relevant Primary Chargor in favour of itself or its nominee(s).

8.3 **Perfection of Investments Security (other than Subsidiary Shares)**

The Company and each Other Chargor will, upon request following a Material Event of Default which is continuing or an Acceleration Event, deposit with the Security Agent (or as it shall direct) all stock and share certificates and other documents of title in its possession relating to the Investments (other than Subsidiary Shares) in which it has an interest together with stock transfer forms (if applicable) executed in blank and left undated on the basis that:

- (a) the Security Agent shall be able to hold such documents of title and stock transfer forms until:
 - (i) in the case of a Material Event of Default, such Material Event of Default ceases to be continuing; or
 - (ii) the Secured Obligations have been irrevocably and unconditionally discharged in full or the Security over such Investments (other than Subsidiary Shares) is released in accordance with the terms of the Intercreditor Agreement; and
- (b) the Security Agent shall be entitled, at any time, following the occurrence of a Material Event of Default which is continuing or an Acceleration Event to complete, under its power of attorney given by clause 13 (Attorney) below, the stock transfer forms on behalf of the Company or relevant Other Chargor (as applicable) in favour of itself or its nominee(s).

8.4 **Perfection of Uncertificated Investments Security**

The Company and each Other Chargor will, following a Material Event of Default which is continuing or an Acceleration Event, in respect of the Uncertificated Investments in which it has an interest:

- (a) procure that any Uncertificated Investments in which it has an interest are transferred to:
 - (i) the Company or that Other Chargor's Escrow Balance; or
 - (ii) (if the Security Agent requires) a CREST account of the Security Agent or its nominee; and

in relation to any Uncertificated Investments required to be transferred to its Escrow Balance, deliver an instruction to CREST identifying the Security Agent (or, if the Security Agent so requires, its nominee) as its escrow agent in respect of the relevant Escrow Balance; and
- (b) if required by the Security Agent, promptly procure the conversion of all or the required part (as applicable) of the Uncertificated Investments in which it has an interest into certificated form and will deposit all certificates and other documents of title in respect of such Uncertificated Investments in accordance with clause 8.3 (Perfection of Investments Security (other than Subsidiary Shares)).

In this deed:

"CREST" means Euroclear UK & Ireland Limited (as operator of the CREST settlement system) or any successor operator for the time being;

"Escrow Balance" means the escrow balance of an account maintained with CREST; and

"Uncertificated Investments" means an Investment which is "uncertificated" within the meaning of the Uncertificated Securities Regulations 2001 (SI 2001/3755).

9. **RECEIVABLES**

- (a) Each Other Chargor will collect all Book Debts due to it in a manner consistent with its customary business practises and pay the proceeds into an Operating Account.
- (b) The Company will collect all RCF Recoveries, Finance Lease Recoveries and Insurance Proceeds due to it and pay the proceeds into:
 - (i) such Bank Accounts (if any) subject to Security under this deed as are required by the New Money Facility Agreement; or
 - (ii) otherwise, an Operating Account.
- (c) The Company will, promptly following execution of this deed:
 - (i) give notice (substantially in the form set out in schedule 6 (Forms of notice to counterparties)) to each of Barbados Enterprises plc, the other parties to the Revolving Facility Agreement and each lessor in respect of the Finance Leases, of the security created by this deed over its interest in the Equity Loan Stock, RCF Recoveries and Finance Lease Recoveries (as applicable) and provide evidence satisfactory to the Security Agent (acting reasonably) of the delivery of that notice; and

- (ii) use reasonable endeavours to procure that each counterparty promptly acknowledges that notice by countersigning a copy of it and delivering that copy to the Security Agent, provided that the Company's obligation under sub-paragraph (i) above shall cease upon the date falling 20 Business Days after the date on which notice is served on the relevant counterparty if it has not acknowledged the notice by such date.
- (d) The Lessor 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 Authority or other relevant authority (such notice to specify that any Requisition Compensation otherwise payable to the Lessor shall immediately be paid to the Security Agent).

10. **BANK ACCOUNTS AND DEPOSIT AND INVESTMENT ACCOUNTS**

10.1 **Withdrawals**

- (a) No Chargor may withdraw all or any monies from time to time standing to the credit of a Blocked Account, except:
 - (i) prior to the New Money Discharge Date, as permitted by the New Money Facility Agreement; and
 - (ii) after the New Money Discharge Date, if the Company certifies that such withdrawal is not prohibited by any Primary Creditor Finance Documents or with the prior written consent of the Security Agent (acting on the instructions of the Instructing Group).
- (b) Following the occurrence of an Acceleration Event, no Chargor may withdraw all or any monies from time to time standing to the credit of any Operating Account or Deposit and Investment Account, except with the prior consent of the Security Agent.

10.2 **Accounts Schedule**

The Company shall ensure that an updated Accounts Schedule is delivered to the Security Agent:

- (a) promptly (and in any event within 10 Business Days) following the opening of an Operating Account, Blocked Account or Deposit and Investment Account; and
- (b) together with any Security Accession Deed listing the Operating Accounts, Blocked Accounts and Deposit and Investment Accounts of the Chargors (including the new Chargor to which that Security Accession Deed relates).

10.3 **Perfection of Bank Account Security**

- (a) Other than as specified in paragraph (b) below, each Chargor will, promptly (and in any event within 10 Business Days) following execution of this deed or (if later) following the opening of an Operating Account or Blocked Account:
 - (i) give notice (substantially in the form set out in schedule 7 (Form of notice to Account Banks / Money Market Managers)) to each institution with which it holds any such Operating Account or Blocked Account (each an "**Account Bank**"), of the charges created by this deed over those Bank Accounts and provide evidence to the Security Agent of the delivery of that notice; and

- (ii) use reasonable endeavours to procure that each Account Bank promptly acknowledges that notice by countersigning a copy of it and delivering that copy to the Security Agent, provided that the relevant Chargor's obligation under sub-paragraph (i) above shall cease upon the date falling 20 Business Days after the date on which notice is served on the relevant Account Bank if the relevant Account Bank has not acknowledged the notice by such date.
- (b) Where an Account Bank has entered into a Set-off and Turnover Deed (as defined in the Intercreditor Agreement) in relation to any Operating Account or Blocked Account in existence at the time of creation of security over such Bank Account by this deed, the execution of that Set-off and Turnover Deed by that Account Bank will be treated by the Security Agent as acknowledgment by that Account Bank of notice of the security created by this deed and its confirmation of and agreement to the matters set out in schedule 7 (Form of notice to Account Banks / Money Market Managers).

10.4 **Perfection of Deposit and Investment Account Security**

- (a) Other than as specified in paragraph (b) below, the Company and each Other Chargor will, promptly (and in any event within 10 Business Days) following execution of this deed or (if later) following the opening of a Deposit and Investment Account:
 - (i) give notice (substantially in the form set out in schedule 7 (Form of notice to Account Banks / Money Market Managers)) to each institution with which it holds any such Deposit and Investment Account (each a "**Money Market Manager**"), of the charges created by this deed over those accounts and provide evidence to the Security Agent of the delivery of that notice; and
 - (ii) use reasonable endeavours to procure that each Money Market Manager promptly acknowledges that notice by countersigning a copy of it and delivering that copy to the Security Agent, provided that the relevant Chargor's obligation under sub-paragraph (i) above shall cease upon the date falling 20 Business Days after the date on which notice is served on the relevant Money Market Manager if the relevant Money Market Manager has not acknowledged the notice by such date.
- (b) Where a Money Market Manager has entered into a Set-off and Turnover Deed (as defined in the Intercreditor Agreement) in relation to any Deposit and Investment Account in existence at the time of creation of security over such account by this deed, the execution of that Set-off and Turnover Deed by the Money Market Manager will be treated by the Security Agent as acknowledgment by that Money Market Manager of notice of the security created by this deed and its confirmation of and agreement to the matters set out in schedule 7 (Form of notice to Account Banks / Money Market Managers).

11. **INTELLECTUAL PROPERTY**

Each Other Chargor appoints the Security Agent as its agent to apply for the Secured Parties' interest in that Other Chargor's Intellectual Property to be recorded on any of the following registers, in the Security Agent's discretion:

- (a) the relevant Intellectual Property register of the UK Intellectual Property Office;
- (b) the relevant Intellectual Property register of the EU Office of Harmonization for the Internal Market; and
- (c) unless the Security Agent and the Company agree otherwise, all other national, regional and international Intellectual Property registers.

12. **ASSIGNED AGREEMENTS**

12.1 **Proceeds of Assigned Agreements**

Each Primary Chargor will, as agent for the Security Agent, collect all amounts payable to it under the Assigned Agreements and forthwith pay those monies into:

- (a) such Bank Accounts (if any) subject to Security under this deed as are required by the New Money Facility Agreement; or
- (b) otherwise, an Operating Account.

12.2 **Perfection of Assigned Agreements Security**

- (a) Other than in the circumstances described in paragraph (c) below, each Primary Chargor will:
 - (i) in respect of any Material Contract which has contributed revenue to the Group which is equal to or which exceeds £100,000 (or its equivalent in any other currency) or in accordance with the terms of the relevant Material Contract, shall contribute or is expected to contribute revenue to the Group which is equal to or which exceeds £100,000 (or its equivalent in any other currency) over the life of the relevant Material Contract, upon request by the Security Agent following the occurrence of a Material Event of Default or an Acceleration Event; and
 - (ii) in respect of any other Assigned Agreement (other than the Material Contracts or the A350 Lease), promptly following execution of this deed (or, in respect of any other Assigned Agreement designated as such after the date of execution of this deed, promptly thereafter):
 - (A) give notice (substantially in the form set out in the relevant part of schedule 6 (Forms of notice to counterparties)) to the other parties to the Assigned Agreements of the security created by this deed over its interest therein and provide evidence to the Security Agent of the delivery of that notice; and
 - (B) use reasonable endeavours to procure that each counterparty promptly acknowledges that notice by countersigning a copy of it and delivering that copy to the Security Agent, provided that the relevant Primary Chargor's obligation under sub-paragraph (A) above shall cease upon the date falling 20 Business Days after the date on which notice is served on the relevant counterparty if the relevant counterparty has not acknowledged the notice by such date.
- (b) In respect of the A350 Lease, the Lessor will promptly following execution of this deed give notice (substantially in the form set out in schedule 8 (Form of notice of assignment of A350 Lease)) to the Company and the Company will promptly acknowledge that notice by countersigning a copy of it and delivering that copy to the Security Agent.
- (c) Where a party to this deed is a counterparty to an Assigned Agreement in existence at the time of creation of Security over it by this deed, the execution of this deed by that party (in whatever capacity) will be treated as acknowledgement by it (in its capacity as counterparty to any relevant Assigned Agreement) of notice of the security created by this deed and its confirmation of the matters set out in schedule 6 (Forms of notice to counterparties).

12.3 The Lessor and the Company will promptly following the execution of this deed deposit with the Security Agent a Termination Notice relating to the A350 Lease executed in blank and left undated on the basis that:

- (a) the Security Agent shall be able to hold such Termination Notice until the Secured Obligations have been irrevocably and unconditionally discharged in full or the Security Agent re-assigns the rights, title and interest in the A350 Lease to the Lessor; and
- (b) the Security Agent shall be entitled, at any time, following the occurrence of a 'Lease Event of Default' under clause 11 (Events of Default) under the A350 Lease, to complete, under its power of attorney given by clause 14 (Attorney) below, the Termination Notice on behalf of the Lessor and the Company.

13. **AIRCRAFT INVENTORY**

13.1 **Systems**

- (a) The Company shall maintain Systems at all times and shall comply with the terms of each Systems Agreement from time to time in force.
- (b) The Company shall ensure that the Software licensed and the Systems run by such Software and, in each case, any replacement shall be updated and maintained in accordance with usual market practice for an organisation similar to the Company.

13.2 **Storage of Aircraft Inventory**

The Company shall ensure that all Aircraft Inventory is:

- (a) if stored in a Secured Designated Location, always available for access by it during business hours in accordance with the terms and conditions agreed with the relevant provider of the Secured Designated Location; and
- (b) tagged so that, upon further investigation, it is identifiable as belonging to it or otherwise adequately recorded as being its property so as to enable its title to such Aircraft Inventory to be evidenced to third parties (provided that certain Aircraft Inventory will be tagged in batches or groups (which such batches or groupings shall be logged in the Systems) as is customary) and tagged as being subject to the Security created by this deed.

13.3 **Secured Designated Locations**

- (a) The Company shall:
 - (i) *repair*: at all times keep the Aircraft Inventory in a condition satisfactory for the safe storage of the Aircraft Inventory and keep and maintain such Aircraft Inventory in compliance with any aviation authority requirement binding on it;
 - (ii) *payments*: pay or cause to be paid all rates, taxes, levies, charges, duties, assessments, impositions and outgoings as they fall due and payable, now or in the future, in respect of the Secured Designated Locations (other than those being contested in good faith and where there is no material likelihood of forfeiture (or its equivalent in any relevant jurisdiction));
 - (iii) *contracts*: comply in all material respects with the terms of all agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting the Secured Designated Locations or its use or enjoyment where failure to do so would be reasonably likely to

have a material adverse effect on the interests of the Secured Parties and not take any action which, or omit to take any action the omission of which, results in any of its interests or estates in the Secured Designated Locations being affected in a way which would be reasonably likely to have a material adverse effect on the interests of any Secured Party;

- (iv) *compliance with lease*: pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Secured Designated Locations and to the extent commercially reasonable enforce the observance and performance by the landlord or licensor of its material obligations under any such document where a failure to do so would be reasonably likely to prejudice the Aircraft Inventory or any Secured Party's interests in that Aircraft Inventory;
- (v) *notices, orders and proposals*: save to the extent that it is contesting the same in good faith, comply with any default notice or order sent or received under or with respect to any Secured Designated Location;
- (vi) *access to land*: following an Acceleration Event, permit and authorise the Security Agent to the extent within its power to do so (where access to the relevant premises is not controlled by the Company) (but without the Security Agent being under any obligation to do so and subject to complying with any airport security requirements and any applicable Landlord Waiver Letter) to enter upon all or any of the Secured Designated Locations to enforce its rights in respect of the Aircraft Inventory;
- (vii) *notice of ownership*:
 - (A) in respect of each Secured Designated Location which is leased, managed, or owned by the Company, subject to any requirements or restrictions under the lease or property agreement in relation to the relevant Secured Designation Location, display signage in a prominent location or locations stating "Certain aircraft equipment and parts stored on this property and identified by tag in the inventory of stored parts are owned by Virgin Atlantic Airways Limited and its affiliates and subject to a security interest in favour of GLAS Trust Corporation Limited"; and
 - (B) in respect of each Secured Designated Location which is managed by a third party supplier, use commercially reasonable endeavours to obtain agreement from the manager of that Secured Designated Location to display signage in a prominent location or locations stating "Certain aircraft equipment and parts stored on this property and identified by tag in the inventory of stored parts are owned by Virgin Atlantic Airways Limited and its affiliates and subject to a security interest in favour of GLAS Trust Corporation Limited";
- (viii) *landlord waiver letters*: use commercially reasonable endeavours for a period of up to six months following the date of this deed to obtain a signed Landlord Waiver Letter from the landlord or manager of each Original Secured Designated Location provided that, if the landlord or manager does not agree to enter into a Landlord Waiver Letter following an initial request by the Company, the Company shall provide the Security Agent with that landlord or manager's response and consult with the Security Agent as to what further steps may be considered reasonable and appropriate in the circumstances (and shall, during such six month period, take such further steps as it and the

Security Agent consider following consultation (each acting reasonably) are reasonable and appropriate in order to seek to secure the relevant landlord or manager's consent);

- (ix) *exclusivity*: be the exclusive owner of all Inventory Parts (other than Excluded Inventory Parts) within the Group provided that the Company may designate a Subsidiary to purchase Inventory Parts subject to first obtaining the consent of the Security Agent which consent shall be given provided that such designated Subsidiary enters into Security and other documentation and obtains any third party document such as a Landlord Waiver Letter in each case in substantially in the same form as the equivalent Security, documents and third party documents given by the Company in respect of Aircraft Inventory pursuant to this deed;
 - (x) *freedom to deal*: be free to install any of the Aircraft Inventory on any airframe or engine in which it has an ownership or lease interest and/or sell or otherwise dispose of any of the Aircraft Inventory, in each case in the ordinary course of its business only, and on such installation, sale or disposal such installed, sold or disposed of Aircraft Inventory shall cease to form part of the Aircraft Inventory to extent required to be consistent with the terms of such installation, sale or disposal; and
 - (xi) *dissipation of physical location of aircraft inventory*: ensure that, except with the prior written consent of the Security Agent, such consent not to be unreasonably withheld but which may be subject to imposition of reasonable conditions intended to provide equivalent Security, priority, freedom from competing Security and access arrangements to this deed, not less than 75% in value of its Aircraft Inventory is physically located in the United Kingdom and at least 80% in value of that Aircraft Inventory located in the United Kingdom is located in Secured Designated Locations.
- (b) All new Inventory Parts purchased or otherwise acquired by the Company shall form part of the Aircraft Inventory (except any Excluded Inventory Part).
 - (c) The Company may store Aircraft Inventory at an Additional Secured Designated Location subject to the condition that before a location can become an Additional Secured Designated Location a Landlord Waiver Letter is obtained for that location and the access rights available to the Security Agent on enforcement are substantively equivalent to the Original Secured Designated Locations, provided that in respect of the tender process in existence at the date of this deed for an additional Aircraft Inventory storage location, this requirement shall be relaxed so that instead paragraph (a)(viii) above shall apply to such location as if it were an Original Secured Designated Location and it is acknowledged that it will not be commercially reasonable for the Company to pay to the landlord or owner of such additional Aircraft Inventory storage location more than £25,000 to obtain a Landlord Waiver Letter and paragraph (a)(viii) above shall be construed accordingly in relation to such additional Aircraft Inventory storage location only.

13.4 **Warranty Claims**

The Chargors shall make all Warranty Claims in respect of the Aircraft Inventory to the extent commercially reasonable and shall procure that any monetary proceeds of such Warranty Claims are paid into an Operating Account.

13.5 **Inventory Technical Records**

- (a) The Company shall not license, charge, assign or otherwise transfer the Inventory Technical Records, other than to the extent an Inventory Technical Record is

transferred to a third party who has received the corresponding Inventory Part and would ordinarily receive such Inventory Technical Record in the ordinary course of business and pursuant to usual industry practice.

- (b) The Company shall not consent to, condone or permit any act or omission which would cause the Inventory Technical Records to breach the requirement of the FAA, EASA or any other relevant aviation authority in any way which is, in the opinion of the Security Agent, material.
- (c) The Company shall:
 - (i) maintain the completeness and accuracy in all material respects of the information and data used to generate Aircraft Inventory reports, and ensure that at all times such information and data are up to date and not misleading in any material respect;
 - (ii) create and maintain or procure the creation and maintenance of all Inventory Technical Records to be prepared by the Company in material compliance with applicable law and regulation relating to aircraft and/or Inventory Parts;
 - (iii) ensure that all Inventory Technical Records issued by a person other than the Company are issued in material compliance with applicable law and regulations relating to aircraft and/or the Inventory Parts;
 - (iv) only use repairers authorised by the FAA, EASA or other relevant aviation authority to service and repair Aircraft Inventory, and will not use any repairer which it has reason to believe is failing in any material way to comply with applicable law or regulations relating to aircraft and/or Inventory Parts;
 - (v) take reasonable precautions to maintain the security and integrity of the Inventory Technical Records created or maintained by the Company and the Systems;
 - (vi) ensure that all right, title and interest in all Inventory Technical Records vests in the Company when title to the relevant Inventory Part vests in the Company or, if later, when such Inventory Technical Record is created or received; and
 - (vii) following an Acceleration Event, grant the Security Agent the right to have access to, take copies of and use the Inventory Technical Records;

13.6 **Aircraft Inventory Schedule**

The Company shall provide the Security Agent with a list of its Aircraft Inventory at that time within 10 Business Days of (i) the date of this deed, (ii) the end of each calendar quarter (commencing with the calendar quarter ending 31 December 2020) and (iii) a reasonable request by the Security Agent.

13.7 **Insurance**

Each Chargor will insure the Aircraft Inventory whether as part of its fleet policy or otherwise with reputable insurers for property damage to and loss of the Aircraft Inventory and shall maintain third party liability insurances, in each case in levels consistent with aviation industry standards. To extent that such insurances are subject to an AVN67 endorsement (including AVN67B), the Security Agent shall be named as "Contract Party" and this deed and the Intercreditor Agreement shall be listed as "Contracts". The Secured Parties shall be additional insured and "Contract Parties" under the liabilities cover. To extent that insurances are not subject to an AVN67 endorsement then equivalent provisions shall apply to provide the Secured Parties with equivalent rights.

14. ATTORNEY

- (a) Subject to paragraph (b) below, each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, deliver and perfect any deed, agreement or other instrument and to do any act or thing:

- (i) which that Chargor is required to do by the terms of this deed; and/or
- (ii) which is for the purpose of enabling the exercise of any rights or powers conferred on the Security Agent or any Receiver by this deed or the Intercreditor Agreement or by law,

and each Chargor covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things properly made, done or executed by that attorney.

- (b) The power given under paragraph (a) above may be exercised at any time after:
- (i) the expiry of 5 days following the failure by the relevant Chargor to do that which it is required to do by the terms of any Primary Creditor Finance Document; or
 - (ii) a Material Event of Default or an Acceleration Event has occurred.

15. ENFORCEMENT

15.1 Exercise of Enforcement Powers

At any time after an Acceleration Event has occurred:

- (a) the security created by or pursuant to this deed is immediately enforceable;
- (b) the Security Agent may enforce all or any part of the security and take possession of and hold, sell or otherwise dispose and/or deal with all or any part of the Charged Property; and
- (c) the Security Agent may exercise the power of sale and all other rights and powers conferred by this deed or by statute (as varied or extended by this deed) on the Security Agent or on a Receiver, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

15.2 Appointment of Receiver or Administrator

- (a) Subject to paragraphs (d) and (e) below, if:
- (i) an Acceleration Event has occurred; or
 - (ii) so requested by the relevant Chargor,
- the Security Agent may by writing under hand appoint any person (or persons) to be a Receiver of all or any part of the Charged Property.
- (b) Section 109(1) of the Law of Property Act 1925 shall not apply to this deed.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charges created by this deed.

- (d) The Security Agent shall be entitled to appoint a Receiver save to the extent prohibited by section 72A of the Insolvency Act 1986.
- (e) A Receiver may not be appointed solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 in relation to a Chargor, other than in respect of a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

15.3 **Appropriation**

- (a) In this deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No.2) Regulations 2003 SI 2003/3226.
- (b) If an Acceleration Event has occurred, the Security Agent may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Obligations.
- (c) The Security Agent must attribute a value to the appropriated financial collateral in a commercially reasonable manner.
- (d) Where the Security Agent exercises its rights of appropriation and the value of the financial collateral appropriated differs from the amount of the Secured Obligations, as the case may be, either:
 - (i) the Security Agent must account to the relevant Chargor for the amount by which the value of the appropriated financial collateral exceeds the Secured Obligations; or
 - (ii) the Chargors will remain liable to the Secured Parties for any amount whereby the value of the appropriated financial collateral is less than the Secured Obligations.

15.4 **Restriction on Withdrawal of Dealing Authority (Accounts)**

The Security Agent shall not be entitled to:

- (a) request any information referred to in paragraph 1(c) of the notice in the form of schedule 7 (Form of notice to Account Banks / Money Market Managers) or clause 2.2 (Notice of Security) of any Set-off and Turnover Deed in relation to a Deposit and Investment Account or an Operating Account unless and until an Event of Default has occurred; or
- (b) give any notice referred to in paragraph 1(b) of the notice in the form of schedule 7 (Form of notice to Account Banks / Money Market Managers) or clause 2.2 (Notice of Security) of any Set-off and Turnover Deed unless and until an Acceleration Event has occurred,

or, in either case, unless and until any of the circumstances described in clause 3.8 (Conversion of Floating Charge) or clause 3.9 (Automatic Conversion of Floating Charge) have arisen.

15.5 **Restriction on Withdrawal of Dealing Authority (Intra-Group Loans)**

In relation to the Intra-Group Loans, the Security Agent shall not be entitled to:

- (a) request any information referred to in paragraph 3 of the notice in the form of schedule 7 (Form of notice to counterparties) unless and until an Event of Default has occurred; or

- (b) give any notice referred to in paragraph 2 of the notice in the form of schedule 7 (Form of notice to counterparties) unless and until an Acceleration Event has occurred.

16. EXTENSION AND VARIATION OF STATUTORY POWERS

16.1 Statutory Powers

The powers conferred on mortgagees, receivers or administrative receivers by statute shall apply to the security created by this deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers conferred by statute and those contained in this deed, those contained in this deed shall prevail.

16.2 Section 101 LPA Powers

The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 shall arise on the date of this deed and for that purpose the Secured Obligations are deemed to have fallen due on the date of this deed.

16.3 Powers of Leasing

The Security Agent may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

16.4 Restrictions Disapplied

The restrictions on the consolidation of mortgages and on exercise of the power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this deed.

17. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER

17.1 Receiver as Agent

Each Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his or her acts or defaults, and for his or her remuneration and expenses, 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.

17.2 Powers of Receiver

Each Receiver appointed under this deed shall have all the powers conferred from time to time on receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this deed), so that the powers set out in schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any liquidation of the relevant Chargor, each Receiver shall have power to:

- (a) develop, reconstruct, amalgamate or diversify any part of the business of the relevant Chargor;
- (b) enter into or cancel any contracts on any terms or conditions;
- (c) incur any liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;

- (d) let or lease or concur in letting or leasing, and vary the terms of, determine, surrender leases or tenancies of, or grant options and licences over, or otherwise deal with, all or any of the Charged Property, without being responsible for loss or damage;
- (e) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions;
- (f) make and effect all repairs, renewals and improvements to any of the Charged Property and maintain, renew, take out or increase insurances;
- (g) exercise all voting and other rights attaching to the Investments and stocks, shares and other securities owned by the relevant Chargor and comprised in the Charged Property;
- (h) redeem any prior Security on or relating to the Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (i) appoint and discharge officers and others for any of the purposes of this deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (j) settle any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating to any of the Charged Property;
- (k) implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any Property comprised in the Charged Property;
- (l) purchase or acquire any land or any interest in or right over land;
- (m) exercise on behalf of the relevant Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Property; and
- (n) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this clause 17.2 (Powers of Receiver), or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property, and use the name of the relevant Chargor for all such purposes,

and in each case may use the name of any Chargor and exercise the relevant power in any manner which he may think fit.

17.3 **Removal of Receiver**

The Security Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

17.4 **Remuneration of Receiver**

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it. Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed.

17.5 **Several Receivers**

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this deed (unless the document appointing such Receiver states otherwise).

18. **PROTECTION OF THIRD PARTIES**

18.1 **No Obligation to Enquire**

No purchaser from, or other person dealing with, the Security Agent, any Receiver or Delegate shall be obliged or concerned to enquire whether:

- (a) the right of the Security Agent or any Receiver to exercise any of the powers conferred by this deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Obligations remain outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

18.2 **Receipt Conclusive**

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys or other consideration paid to or by the direction of the Security Agent or any Receiver.

19. **PROTECTION OF SECURITY AGENT AND RECEIVER**

19.1 **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 deed.

19.2 **Delegation**

Each of the Security Agent and any Receiver 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 deed to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. Neither the Security Agent nor any Receiver will be liable or responsible to any Chargor or any other person for any losses arising from any act, default, omission or misconduct on the part of any Delegate.

19.3 **No Liability**

Neither the Security Agent nor any Receiver or Delegate shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his or her gross negligence or wilful default.

19.4 Possession of Charged Property

Without prejudice to clause 19.3 (No Liability), if the Security Agent or any Delegate enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

20. APPLICATION OF ENFORCEMENT PROCEEDS**20.1 Order of Application**

All proceeds of enforcement (whether cash or non-cash) received or recovered by the Security Agent or any Receiver pursuant to this deed shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by any Chargor.

20.2 Suspense Account

- (a) 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 deed or otherwise on account of any Chargor'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.
- (b) If the security created by this deed is enforced at a time when no amount is due under any Primary Creditor Finance Document 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.

21. PROTECTION OF SECURITY**21.1 Continuing Security**

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing.

21.2 Other Security

- (a) This security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security or other right which the Security Agent or any other Secured Party may now or after the date of this deed hold for any of the Secured Obligations.
- (b) This security may be enforced against each Chargor without first having recourse to any other rights of the Security Agent or any other Secured Party.

21.3 Cumulative Powers

- (a) The powers which this deed confers on the Security Agent, the other Secured Parties and any Receiver appointed under this deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate.
- (b) The Security Agent, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever.

- (c) The respective powers of the Security Agent, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

21.4 **Amounts Avoided**

If any amount paid by a Chargor in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of the relevant Chargor or otherwise, then for the purposes of this deed that amount shall not be considered to have been paid.

21.5 **Discharge Conditional**

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or other Debtor, or in respect of any security for those obligations or otherwise) is made by a Secured Party 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 each Chargor under this deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

21.6 **Waiver of Defences**

The obligations of each Chargor under this deed will not be affected by an act, omission, matter or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this deed (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) the release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Primary Creditor Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Primary Creditor Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

21.7 **Non-competition**

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, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this deed or by reason of any amounts being payable, or liability arising under this deed:

- (a) to claim any right of indemnity or contribution in respect of any payment made or other satisfaction of that Chargor's liability under this deed;

- (b) to take the benefit (whether by way of subrogation or otherwise) of any rights of the Secured Parties under any Primary Creditor Finance Document;
- (c) to bring legal or other proceedings for an order requiring any other Chargor to make any payment, or perform any obligation, in respect of which it has granted Security under this deed;
- (d) to receive, claim or have the benefit of any payment, distribution or Security from or on account of any other Chargor, or exercise any right of set-off as against any sum due from any other such Chargor; and/or
- (e) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

Each Chargor shall hold any benefit, payment or distribution received by it contrary to this clause 21.7 (Non-competition) 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 20 (Application of Enforcement Proceeds).

21.8 **Release of Right of Contribution**

If any Chargor (a "**Retiring Chargor**") ceases to be a Chargor in accordance with the terms of each and all of the Primary Creditor Finance Documents for the purpose of any sale or other disposal of that Chargor, then on the date such Chargor ceases to be a Chargor:

- (a) that Chargor is released by each other Chargor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Chargor arising by reason of the performance by any other Chargor of its obligations under each and all of the Primary Creditor Finance Documents; and
- (b) each other Chargor waives any rights it may have by reason of the performance of its obligations under each and all of the Primary Creditor Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under any Primary Creditor Finance Documents or of any other security taken pursuant to, or in connection with, any Primary Creditor Finance Documents where such rights or security are granted by or in relation to the assets of the Retiring Chargor.

21.9 **Subsequent Security - Ruling-off Accounts**

If the Security Agent or any other Secured Party receives notice of any subsequent Security or other interest affecting any of the Charged Property (except as permitted by each and all of the Primary Creditor Finance Documents) it may open a new account for the relevant Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the Company), as from the time it receives that notice, all payments made by the relevant Chargor to it shall (in the absence of any express appropriation to the contrary) be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Obligations.

21.10 **Redemption of Prior Charges**

The Security Agent may, at any time after an Acceleration Event has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor. Each Chargor will on demand pay to the Security Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

22. **OPERATIONAL INDEMNITY**

The Chargors shall, on demand, indemnify and hold harmless each of the Security Agent, any Receiver and Delegate, and each Secured Party (in each case, together with their respective subsidiaries and Affiliates, officers, agents, servants and employees) from and against any and all losses, liabilities, actions, claims, proceedings, judgments, penalties, fines, damages, fees, costs or expenses:

- (a) which may at any time be suffered or incurred directly or indirectly as a result of, or in any way connected with, the possession, performance, transportation, management, sale, ownership, registration, mortgage, charging, control, maintenance, service, repair, overhaul, purchase, leasing, use or operation of any part of the Aircraft Inventory (including, but not limited to injury, death or property damage of passengers or others, and environmental control, noise and pollution regulations), whether or not attributable to any defect in any part of the Aircraft Inventory or to the design, testing or use thereof or otherwise, regardless of when the same shall arise;
- (b) which arise out of any act or omission which invalidates any of the insurances in respect of the Aircraft Inventory;
- (c) which may at any time be suffered or incurred as a consequence of any design, article or material in any part of the Aircraft Inventory, or the use or operation thereof, constituting an infringement of patent, copyright, trademark, design or other proprietary right or a breach of any obligation of confidentiality owed by any Chargor to any person; or
- (d) which may at any time be suffered or incurred as a consequence of any use or operation of the Systems constituting:
 - (i) a breach of the relevant Systems Agreement;
 - (ii) an infringement of any patent, copyright, database right, trade mark, design right or other third party right; or
 - (iii) a breach of any obligation of confidentiality owed to any person.

23. **NOTICES**

23.1 **Communications in Writing**

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

23.2 **Addresses**

The address and fax number of each party to this deed for any communication or document to be made or delivered under or in connection with this deed is:

- (a) as shown immediately after its name on the execution pages of this deed (in the case of any person who is a party as at the date of this deed);
- (b) in the case of any person who becomes a party after the date of this deed, notified in writing to the Security Agent on or prior to the date on which it becomes a party,

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.

23.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) 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 23.2 (Addresses), if addressed to that department or officer.
- (b) 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).

23.4 Electronic Communication

Any communication to be made in connection with this deed, between any two parties to this deed may be made by electronic mail or other electronic means:

- (a) to the extent that those two parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those 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 those two parties will be effective only when actually received in readable form and in the case of any electronic communication made by a party 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.

24. CHANGES TO PARTIES**24.1 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 deed in accordance with the Primary Creditor Finance Documents.

24.2 Changes to Parties

Each Chargor authorises and agrees to changes to parties under 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.

24.3 **Consent of Chargors**

Each Chargor consents to the accession to this deed of additional Chargors and agrees that any such accession will be in no way prejudice the Security granted by it, or affect the covenants given by it, in this deed.

25. **CURRENCY**

25.1 **Conversion**

All monies received or held by the Security Agent or any Receiver under this deed may be converted into any other currency which the Security Agent considers necessary to discharge any obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Agent's spot rate of exchange then prevailing for purchasing that other currency with the existing currency. Nothing in this deed shall require the Security Agent to make, or shall impose any duty of care on the Security Agent in respect of, any such currency conversion.

25.2 **No Discharge**

No payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge any obligation or liability in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action in relation to the shortfall and shall be entitled to enforce the security constituted by this deed to recover that amount.

26. **MISCELLANEOUS**

26.1 **Certificates Conclusive**

A certificate or determination of the Security Agent as to any amount or rate under this deed is, in the absence of manifest error, conclusive evidence of the matter to which it relates.

26.2 **Invalidity of any Provision**

If any provision of this deed 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.

26.3 **Counterparts**

This deed 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 deed.

26.4 **Failure to Execute**

Failure by one or more parties ("**Non-Signatories**") to execute this deed on the date hereof will not invalidate the provisions of this deed as between the other parties who do execute this deed. Such Non-Signatories may execute this deed on a subsequent date and will thereupon become bound by its provisions.

26.5 **Covenant to Release**

The Security Agent and each Secured Party shall, at the request and cost of each Chargor:

- (a) once all the Secured Obligations have been paid in full and none of the Security Agent nor any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, any member of the Group; or
- (b) in any other circumstances in which a release of the Charged Property is expressly permitted by the Intercreditor Agreement,

take any action which is necessary to release the Charged Property from the security constituted by this deed.

27. **GOVERNING LAW AND JURISDICTION**

- (a) This deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed or any non-contractual obligation arising out of or in connection with this deed) (a "**Dispute**").
- (c) The parties to this deed 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 deed has been duly executed and delivered on the above date first above written.

**SCHEDULE 1
CHARGORS**

Name	Registered Number
Virgin Travel Group Limited	02274332
Virgin Atlantic Airways Limited	01600117
VA Cargo Limited	02645535
Virglease (3) Limited	03791307
Virgin Holidays Limited	01873815
Virgin Incoming Services, Inc.	P94000079381
Virglease (4) Limited	12814173

**SCHEDULE 2
PROPERTY**

None as at the date of this deed.

**SCHEDULE 3
SUBSIDIARY SHARES**

Chargor	Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Virgin Travel Group Limited	Virgin Atlantic Airways Limited	6,954,384 ordinary shares	N/A
Virgin Atlantic Airways Limited	Virglease Limited (4)	2 ordinary shares	N/A
Virgin Atlantic Airways Limited	VA Cargo Limited	2 ordinary shares	N/A
Virgin Atlantic Airways Limited	Virglease Limited (3)	1 ordinary share	N/A
Virgin Atlantic Airways Limited	Virgin Holidays Limited	2,456,774 ordinary shares	N/A

schedule 4
INTRA-GROUP LOANS

1. Loan agreement dated 20 December 2019 between Virgin Atlantic Airways Limited as lender and Fit Leasing Limited as borrower.
2. Loan agreement dated 31 January 2017 between Virgin Atlantic Airways Limited as lender and Fit Leasing Limited as borrower.
3. Loan agreement dated on or about the date of this deed between Virgin Atlantic Airways Limited as lender and Virglease (4) Limited as borrower.

SCHEDULE 5
INTELLECTUAL PROPERTY

Chargor	Description of IP	Registration number
Virgin Holidays Limited	Trademark: TRAVEL CITY DIRECT	UK Registration No. 00002451020
Virgin Holidays Limited	Trademark: UNLEASH YOUR MOJO	EU Registration No. 011386406
Virgin Holidays Limited	Trademarks: Wonderlist The Wonderlist	UK Registration No. 00003110325

SCHEDULE 6
FORMS OF NOTICE TO COUNTERPARTIES

To: **[insert name and address of counterparty] / [Barbados Enterprises plc]**

Dated: **[●]**

Re: [here identify the relevant Assigned Agreement / the relevant Finance Lease / the Revolving Facility Agreement / the Equity Loan Stock] (the "[Agreement] / [ELS]")

We notify you that **[insert name of Chargor]** (the "**Chargor**") has [assigned] / [charged] to GLAS Trust Corporation Limited (the "**Security Agent**") for the benefit of itself and certain other parties (the "**Secured Parties**") all its right, title and interest in the [Agreement] / [ELS] as security for certain obligations owed by the Chargor and others to the Secured Parties.

We further notify you that:

1. [the Chargor may not amend or terminate the Agreement without the prior written consent of the Security Agent;]¹
2. you may continue to deal with the Chargor in relation to the [Agreement] / [ELS] until you receive written notice to the contrary from the Security Agent. Thereafter, the Chargor will cease to have any right to deal with you in relation to the [Agreement] / [ELS] and therefore from that time you should deal only with the Security Agent;
3. [you are authorised to disclose information in relation to the Agreement to the Security Agent on request;]²
4. after receipt of written notice in accordance with paragraph 2 above, you must pay all monies to which the Chargor is entitled under the [Agreement] / [ELS] direct to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing; and
5. the provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Chargor has assigned or charged its rights under the [Agreement] / [ELS] to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and
- (c) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor any right of set-off, counter-claim or other right relating to the Agreement.³

¹ Note: To be deleted for any notice given in respect of Intra-Group Loans, the Revolving Facility Agreement, Finance Leases and Equity Loan Stock.

² Note: To be deleted for any notice given in respect of the Revolving Facility Agreement, Finance Leases and Equity Loan Stock.

³ Note: To be deleted for any notice given in respect of the Revolving Facility Agreement and Finance Leases.

The provisions of this notice are governed by English law.

Yours faithfully

.....
Name:

for and on behalf of

[insert name of Chargor]

[On acknowledgement copy]

To: **GLAS TRUST CORPORATION LIMITED**

45 Ludgate Hill

London EC4M 7JU

United Kingdom

Copy to: [insert name and address of Chargor]

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (c) above.

.....
Name:

for and on behalf of

[insert name of Counterparty]

Dated: [●]

SCHEDULE 7
FORM OF NOTICE TO ACCOUNT BANKS / MONEY MARKET MANAGERS

To: **[insert name and address of Account Bank / Money Market Manager]** (the "**[Account Bank]/[Money Market Manager]**")

Dated: [●]

Re: The Virgin Group of Companies - Security over Accounts

We notify you that the companies identified in the schedule to this notice (together with the Company, the "**Customers**") have charged in favour of GLAS Trust Corporation Limited (the "**Security Agent**") for the benefit of itself and certain other parties all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice (the "**Charged Accounts**") and to all Investment Income and Investment Proceeds accruing on the Charged Accounts.

For the purposes of this notice:

"**Investment Income**" means any interest, dividends or other income arising from or in respect of an investment related to a Charged Account; and

"**Investment Proceeds**" means:

- (a) any net proceeds received by the Customers upon disposal; or
- (b) any sum received by the Customers upon maturity,

of an investment related to a Charged Account, but excluding all Investment Income.

1. We irrevocably authorise and instruct you:

- (a) [to hold all monies from time to time standing to the credit of the Charged Accounts designated as "Blocked" in the schedule below to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect;]⁴
- (b) upon written notice from the Security Agent, to hold all monies standing to the credit of the Charged Accounts [designated as "Not blocked" in the schedule below] and all Investment Income and Investment Proceeds to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
- (c) to disclose to the Security Agent any information relating to the Customers and the Charged Accounts which the Security Agent may from time to time request you to provide.

2. We also advise you that:

- (a) [the Security Agent will have sole signing rights to the Charged Accounts designated as "Blocked" in the schedule below and therefore the Customers may not withdraw

⁴ Note: To be included where both 'Blocked' and 'Not Blocked' Accounts are held with an Account Bank.

any monies from such Charged Accounts without first having obtained the prior written consent of the Security Agent;]⁵

- (b) by counter-signing this notice the Security Agent confirms that the Customers may make withdrawals from the Charged Accounts [designated as "Not blocked" in the schedule below]⁶ until such time as the Security Agent serves a notice in accordance with paragraph 1(b) above; and
 - (c) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent.
3. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Parent) by way of your confirmation that:
- (a) you agree to act in accordance with the provisions of this notice;
 - (b) you have not received notice that any Customer has assigned or charged its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
 - (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Agent; and
 - (d) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against any Customer, any right of set-off, counter-claim or other right relating to the Charged Accounts.

The provisions of this notice are governed by English law.

Schedule			
Customer	Account Number	[Account Name] / [Sort Code]	Status
●	●	●	[Blocked][Not blocked]

⁵ Note: To be included where both 'Blocked' and 'Not Blocked' Accounts are held with an Account Bank.

⁶ Note: As above.

Yours faithfully,

.....
Name:
for and on behalf of
Virgin Atlantic Airways Limited
as agent for and on behalf of
all of the Customers

Counter-signed by

.....
Name:
for and on behalf of
GLAS TRUST CORPORATION LIMITED

[On acknowledgement copy]

To: **GLAS TRUST CORPORATION LIMITED**
45 Ludgate Hill
London EC4M 7JU
United Kingdom

Copy to: Virgin Atlantic Airways Limited (on behalf of all the Customers)

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (d) above.

.....
Name:
for and on behalf of
[Insert name of [Account Bank] / [Money Market Manager]]

Dated: [●]

**SCHEDULE 8
FORM OF NOTICE OF ASSIGNMENT OF A350 LEASE**

To: Virgin Atlantic Airways Limited (the "**Lessee**")

From: GLAS Trust Corporation Limited (the "**Security Agent**")

Virglease (4) Limited (the "**Lessor**")

Dated: [●] 2020

Re:

- (1) Aircraft lease agreement dated [●] 2020 between the Lessor and the Lessee relating to one (1) A350-1000 aircraft with manufacturer's serial number 71 and registration mark G-VDOT (the "Aircraft") (the "Lease"); and**
- (2) Debenture dated [●] 2020 between (among others) the Lessor and the Security Agent (the "Debenture").**

1. We notify the Lessee that pursuant to the Debenture the Lessor has charged and assigned to the Security Agent for the benefit of itself and certain other parties (the "**Secured Parties**") all its right, title and interest in and to, the Assigned Property (which includes the Lease) as security for certain obligations owed by the Lessor and others to the Secured Parties.
2. We further notify the Lessee that:
 - (a) the Lease shall not be amended or terminated without the prior written consent of the Security Agent (other than in accordance with any automatic termination provisions thereunder);
 - (b) the Lessor hereby agrees that it shall comply with the all the terms of the Lease and perform its obligations thereunder during the term of the Lease in favour of the Security Agent; and
 - (c) the Lessee may continue to deal with the Lessor in relation to the Lease until the Lessee receives a notice from the Security Agent that the Security Agent's rights as assignee under the Debenture have become exercisable (a "**Default Notice**"). Thereafter, the Lessee shall perform all of its obligations under the Lease in favour of the Security Agent and the Lessee shall be entitled to deal with the Security Agent to the exclusion of the Lessor;
 - (d) the Lessee is authorised to disclose information in relation to the Lease to the Security Agent on request;
 - (e) after receipt of a Default Notice, the Lessee must pay all monies to which the Lessor is entitled under the Lease direct to the Security Agent (and not to the Lessor) unless the Security Agent otherwise agrees in writing;
 - (f) the provisions of this notice may only be revoked with the written consent of the Security Agent; and
 - (g) the Security Agent shall not be bound by, nor have any liability to the Lessee for the performance of, any of the obligations of the Lessor under the Lease.
3. The Lessor and the Security Agent agree that:
 - (a) the Debenture is an 'assignment' as defined in the Cape Town Convention;

- (b) the assignment under the Debenture assigns the Associated Rights to payment or other performance by the Lessee under the Lease and that the same are associated with and related to (as required by Article 49(2) of the Consolidated Text) the Airframe and the Engines (each of which is an aircraft object as defined in the Cape Town Convention) and the International Interest of the Lessor, as lessor, under the Lease; and
 - (c) the Debenture should be registered as an "assignment" in accordance with Chapter V of the Consolidated Text.
- 4. The Lessor and the Security Agent further agree that the provisions of Article 47 of the Consolidated Text shall apply, and accordingly, agree that:
 - (a) for the purposes of Article 17(1) of the Consolidated Text each of the events which constitutes an Event of Default is an event that constitutes a default or otherwise gives rise to the rights and remedies specified in Articles 12, 15 and 20 of the Consolidated Text, to the extent that such rights and remedies are capable of application to the Assigned Property or any part thereof; and
 - (b) the rights and remedies specified in Articles 12 to 15 and 20 of the Consolidated Text as applied by Article 17(1) of the Consolidated Text shall be available to the Security Agent following the occurrence of an Event of Default as shall be (for the purposes of Article 16 of the Consolidated Text) any additional remedies permitted by Applicable Law.
- 5. The Security Agent agrees with the Lessee that, so long as no Lease Event of Default (as defined in the Lease) has occurred and is continuing, neither it nor any person lawfully claiming by, through or under it shall interrupt or interfere with the quiet use, possession and enjoyment of the Aircraft. For the avoidance of doubt, the exercise by the Security Agent of its respective rights under or in respect of the Lease, any Operative Document (as defined in the Lease) or the Debenture shall not constitute any such interference.
- 6. This notice is an Operative Document for the purpose of the Lease.
- 7. By its countersignature below, the Lessee, in consideration of the payment to the Lessee of £1 and other good and valuable consideration:
 - (a) agrees to the terms set out in this notice and to act in accordance with its provisions; and
 - (b) confirms that it has not received notice that the Lessor has assigned or charged its rights under the Lease to a third party or created any other interest (whether by way of security or otherwise) in the Lease in favour of a third party;
 - (c) agrees that on and after receipt of a Default Notice, it will:
 - (i) perform, observe and comply with all the Lessee's respective undertakings and obligations under the Lease in favour and for the benefit of the Security Agent as if the Security Agent were named as 'Lessor' in the Lease instead of the Lessor; and
 - (ii) if the Security Agent so requests, enter into a lease with the Security Agent or its nominee, on the same terms (mutatis mutandis) as the Lease;
 - (d) agrees that after issue by the Security Agent of a Default Notice, the Lessee shall not recognise the exercise by the Lessor of any of their respective rights and powers under the Lease unless and until requested to do so by the Security Agent;

- (e) acknowledges and agrees that following termination of the leasing of the Aircraft pursuant to the Lease due to a Lease Event of Default (as defined in the Lease) or otherwise, in each case, in accordance with the terms of the Lease, the Security Agent shall have an unrestricted and unlimited right to deregister the Aircraft from the Aircraft Register of the UK Civil Aviation Authority (and any successor thereto or other government entity which shall have control or supervision of civil aviation in the UK or have jurisdiction over the deregistration of the Aircraft) in accordance with the IDERA and we will not oppose any such attempts and further, we will promptly cooperate and take all such steps as may be required in connection with such deregistration of the Aircraft; and
 - (f) agrees that the Security Agent shall have the benefit of any clauses of the Lease which are expressed to provide direct rights to the Security Agent, including without limitation any indemnity, payment or tax provisions, and that the Lessee is bound by the terms of such clauses, as though the same were set out in this notice in full, mutatis mutandis.
8. By its countersignature below, the Lessor acknowledges that performance by the Lessee of its obligations under the Lease in accordance with this notice shall, to the extent of that performance, satisfy and discharge (pro tanto) the Lessee's obligations to the Lessor under the Lease.
9. For the purposes of this notice:

"Applicable Law" means:

- (a) any law, statute, decree, constitution, regulation, authorisation, judgment, injunction or other directive of any Government Authority;
- (b) any treaty, pact, compact or other binding agreement to which any Government Entity is a signatory or party; or
- (c) any judicial or administrative interpretation with binding characteristics or application of those described in (a) or (b) above,

and in each case, which is applicable to the Aircraft or its use or operation, the Lessee or the Operative Documents.

"Assigned Property" means all the Lessor's present and future right, title and interest (whether contractual, proprietary or of any other kind and including each of the right to sue for damages and any returned sum) under or in connection with the Lease and all proceeds of the Lease from time to time, in whatever form they may be, including, without limitation;

- (a) all amounts from time to time standing to the credit of any account into which such proceeds may be paid; and
- (b) any substitute asset or product of such proceeds,

and the Assigned Property includes each of the Associated Rights to payment or other performance by the Lessee under the Lease which are associated with the Airframe and the Engines (being aircraft objects for the purposes of the Cape Town Convention) and the International Interest held by the Lessor under the Lease.

"Associated Rights" means "associated rights" as defined in the Cape Town Convention.

"Consolidated Text" means the Consolidated Text of the Cape Town Convention and the Protocol authorised and created pursuant to Resolution No. 1 of the Diplomatic Conference to Adopt a Mobile Equipment Convention and an Aircraft Protocol.

"IDERA" means an irrevocable de-registration and export request authorisation (as defined in the Cape Town Convention) in respect of the Aircraft.

10. Capitalised terms not otherwise defined in this notice, shall have the same meaning as given to it in the Lease or the Debenture.
11. This notice and any non-contractual obligations arising out of, or in connection with, this notice shall be governed by, and construed in accordance with, English law.

Yours faithfully,

.....

Name:

for and on behalf of
Virglease (4) Limited

Counter-signed by

.....

Name:

for and on behalf of
GLAS TRUST CORPORATION LIMITED

[On acknowledgement copy]

To: **GLAS TRUST CORPORATION LIMITED**
45 Ludgate Hill
London EC4M 7JU
United Kingdom

Copy to: Virglease (4) Limited

We acknowledge receipt of the above notice and acknowledge, accept and agree to its terms.

.....

Name:

for and on behalf of
Virgin Atlantic Airways Limited

Dated: [●]

SCHEDULE 9
LANDLORD WAIVER CONDITIONS

Conditions for inclusion in a Landlord Waiver Letter are as follows:

- (a) addressee to be GLAS Trust Corporation Limited as Security Agent;
- (b) waiver acknowledges that Aircraft Inventory stored on the leased or licensed premises and that it is charged in favour of the Security Agent
- (c) waiver acknowledges the landlord will not:
 - (i) levy or authorise the levying of a distress for any rent of the property that may at any time be in arrear under the lease and due to the landlord with respect to the Charged Property;
 - (ii) seek to hinder the Security Agent or cause the Security Agent to be hindered from removing the Charged Property or any of them from the property; or
 - (iii) claim any right, title, claim or interest in the Aircraft Inventory;
- (d) waiver grants the Security Agent a licence to enter the premises at all times to secure, take possession of and to remove the Aircraft Inventory (at the risk of the Security Agent and subject to airport or security restrictions, if applicable);
- (e) if at any time any act or omission of the tenant allows the landlord the right to terminate the agreement, the landlord will give the Security Agent prior written notice of termination, and shall acknowledge that the Security Agent may remedy the agreement prior to termination, subject to reasonable agreement with the landlord; and
- (f) the waiver shall be governed by the laws of England and Wales or the laws of the jurisdiction of the premises.

**SCHEDULE 10
FORM OF SECURITY ACCESSION DEED**

**[THIS INSTRUMENT MUST BE REGISTERED AT THE COMPANIES REGISTRY
CONSIDER OTHER NECESSARY FILINGS]**

THIS SECURITY ACCESSION DEED is made on [●]

BETWEEN:

- (1) [●] (a company incorporated in [●] with registered number ●) (the "**New Chargor**"); and
- (2) [●] as security trustee for itself and the other Secured Parties (the "**Security Agent**").

RECITAL:

This deed is supplemental to a debenture dated [●] September 2020 between, inter alia, the Chargors named therein and the Security Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the "**Debenture**").

NOW THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

Terms defined in the Debenture have the same meaning when used in this deed.

1.2 Construction

Clause 1.2 (Construction) of the Debenture will be deemed to be set out in full in this deed, but as if references in that clause to the Debenture were references to this deed.

2. ACCESSION OF NEW CHARGOR

2.1 Accession

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor.

2.2 New Money Secured Obligations

The New Chargor 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.

2.3 Other Secured Obligations

Without prejudice to clause 2.1 (New Money Secured Obligations):

- (a) the New Chargor covenants with the Security Agent (for the benefit of the Secured Parties (except for the New Money Creditors)) that it will on demand pay the Secured Obligations (other than the New Money Secured Obligations) in the manner provided for in the relevant Primary Creditor Finance Documents; and
- (b) without prejudice to any rights that any Secured Party may have under any Primary Creditor Finance Document to which it is party, the recourse under paragraph (a) above of the Secured Parties (other than for the Security Agent (on behalf of itself

and any Receiver or Delegate) and the New Money Creditors) to the New Chargor shall be limited to the proceeds of enforcement of the Charged Property owned by it.

2.4 **Fixed Charges**

Subject to clause 3.10 (Excluded Assets) of the Debenture, the New Chargor, as security for the payment, performance and discharge of the Secured Obligations, charges in favour of the Security Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights:

- (a) by way of first legal mortgage, all Property (including as specified in schedule 1 (Property)); and
- (b) by way of first fixed charge:
 - (i) all other interests (not effectively charged under clause 2.4(a)) in the Property;
 - (ii) all Subsidiary Shares (including as specified in schedule 2 (Subsidiary Shares));
 - (iii) all Investments (other than the Subsidiary Shares);
 - (iv) all Book Debts;
 - (v) all Blocked Accounts (including as specified in an updated Accounts Schedule);
 - (vi) all Deposit and Investment Accounts (including as specified in an updated Accounts Schedule);
 - (vii) all Intellectual Property (including as specified in schedule 3 (Intellectual Property));
 - (viii) all Equipment;
 - (ix) all Insurance Proceeds;
 - (x) its goodwill and uncalled capital; and
 - (xi) to the extent not effectively assigned by clause 2.5 (Security Assignment) the Assigned Agreements.

2.5 **Security Assignment**

Subject to clause 3.10 (Excluded Assets) of the Debenture, as further security for the payment, performance and discharge of the Secured Obligations, the New Chargor assigns absolutely with full title guarantee in favour of the Security Agent all its right, title and interest in the Assigned Agreements (including as specified in schedule 4 (Assigned Agreements)), both present and future, and in each case, all Related Rights, provided that on payment or discharge in full of the Secured Obligations the Security Agent will at the request and cost of the New Chargor re-assign the relevant rights, title and interest in the assigned assets to the New Chargor (or as it shall direct).

2.6 **Fixed Security**

Clause 2.4 (Fixed Charges) and clause 2.5 (Security Assignment) shall be construed as creating a separate and distinct mortgage, fixed charge or security assignment over each

relevant asset within any particular class of assets specified in this deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

2.7 Floating Charge

Subject to clause 3.10 (Excluded Assets) of the Debenture, as further security for the payment and discharge of the Secured Obligations, the New Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under clause 2.4 (Fixed Charges) or assigned under clause 2.5 (Security Assignment) and, in each case, all Related Rights.

3. INCORPORATION INTO DEBENTURE

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to "this deed" will be deemed to include this deed.

4. NOTICES

The New Chargor confirms that its address details for notices in relation to clause 23 (Notices) of the Debenture are as follows:

Address: [●]

Facsimile: [●]

Attention: [●]

5. LAW

This deed and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed (including any non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law.

IN WITNESS whereof this deed has been duly executed and delivered on the date first above written.

SCHEDULE 1

Property

SCHEDULE 2

Subsidiary Shares

SCHEDULE 3

Intellectual Property

SCHEDULE 4

Assigned Agreements

SIGNATORIES TO DEED OF ACCESSION

New Chargor

Executed as a deed by [*insert name in
bold and upper case*]:)
)
)
)

Director
Name:

Director/Secretary
Name:

Notice Details

Address:

Facsimile:
Attention:

The Security Agent

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

)
)
)
)

.....
Name:

Notice Details

Address:

Facsimile:
Attention:

SIGNATORIES TO DEBENTURE

Chargors

Parent

Executed as a deed by)
VIRGIN TRAVEL GROUP LIMITED)
)
acting by two directors or by one director)
and the Company Secretary)

Director

DocuSigned by:
.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
.....
Name: Shai Weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Company

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

Director

DocuSigned by:
C8008C588-26488.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
A2/1B3F/8C334EC...
Name: shai weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Lessor

Executed as a deed by)
VIRGLEASE (4) LIMITED)
)
acting by two directors or by one director)
and the Company Secretary)

Director

DocuSigned by:
CB009C568F2648A.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
A271B9F78C334EC.....
Name: Shai weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Executed as a deed by)
VA CARGO LIMITED)
)
acting by two directors or by one director)
and the Company Secretary)

Director

DocuSigned by:
.....CS008C568F26486.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
.....A271B3F78C334EC.....
Name: shai weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Executed as a deed by)
VIRGLEASE (3) LIMITED)
)
acting by two directors or by one director)
and the Company Secretary)

Director

DocuSigned by:
CB009C568F2648B...
Name: Tom Mackay

Director/Secretary

DocuSigned by:
A271B3F78C334EC...
Name: Shai Weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Executed as a deed by)
VIRGIN HOLIDAYS LIMITED)
)
acting by two directors or by one director)
and the Company Secretary)

Director

DocuSigned by:
CB8F99C0B8F726488.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
A271B3F78C334E0.....
Name: Shai Weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

Executed as a deed by)
VIRGIN INCOMING SERVICES, INC.)
)
acting by a director and its)
secretary/two directors:)

Director

DocuSigned by:
.....
Name: Tom Mackay

Director/Secretary

DocuSigned by:
.....
Name: Shai weiss

Notice Details

Address: The VHQ Fleming Way, Crawley, United Kingdom, RH10 9DF
Attention: Chief Financial Officer and Legal Department
Email: notices@fly.virgin.com

The Security Agent

Security Agent

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

DocuSigned by:
.....B3C77B4ADAFAA4A9.....
Name: Lee Morrell

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)