



Registration of a Charge

Company name: **SPECIALIST AVIATION SERVICES LIMITED**

Company number: **01848773**



X73I9MMY

Received for Electronic Filing: **09/04/2018**

Details of Charge

Date of creation: **29/03/2018**

Charge code: **0184 8773 0061**

Persons entitled: **LOMBARD NORTH CENTRAL PLC**

Brief description: **ONE (1) LEONARDO S.P.A. AW169 HELICOPTER WITH MSN 69064 AND REGISTRATION MARK G-SASX EQUIPPED WITH TWO (2) PRATT & WHITNEY 210A ENGINES WITH SERIAL NUMBERS PCE-BP0126 AND PCE-BP0125.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

WATSON FARLEY & WILLIAMS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1848773

Charge code: 0184 8773 0061

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th March 2018 and created by SPECIALIST AVIATION SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th April 2018 .

Given at Companies House, Cardiff on 11th April 2018

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

EUROPE/61535205v4

Aircraft Mortgage



Agreement number A001179165

THIS IS AN IMPORTANT DEED AND SHOULD ONLY BE USED WHERE THE AIRCRAFT IS ON THE GROUND IN ENGLAND OR IN ENGLISH AIRSPACE AT THE TIME THIS DEED IS CREATED UNLESS FOREIGN LEGAL ADVICE CONCERNING LEX SITUS IS OBTAINED. YOU SHOULD TAKE LEGAL ADVICE BEFORE SIGNING.

Date 29 March 2018 (to be completed by Lombard)

Parties

Lombard North Central PLC, a company registered in England and Wales (registered number: 00337004) whose address for service is PO Box 520, Rotherham, S63 3BR. Customer service: 0345 8778888
Text Relay: 18001 0345 877 8888 Text Talk: 01709 874 997

Customer's name Specialist Aviation Services Limited

Customer's address Gloucestershire Airport, Staverton, Cheltenham, Gloucestershire, GL51 6SS

Customer's Jurisdiction of Incorporation England

Company Registration number 01848773

Address for Service
(must be in the United Kingdom and include name)
Specialist Aviation Services Limited
Gloucestershire Airport, Staverton, Cheltenham, Gloucestershire, GL51 6SS

Is the Customer a SPV: NO

Is the Agreement being made in the course of the Customer's business: YES

We hereby certify this document to be a true copy
of the original save for material redacted in
accordance with s859G of the Companies Act 2006

Watson Farley & Williams LLP
Watson Farley & Williams LLP
15 Appold Street, London EC2A 2HB
United Kingdom

Aircraft Details

Registration Mark	G-SASX
Aircraft Manufacturer	Leonardo S.p.a.
Aircraft Type	Leonardo AW169
Year of Manufacture	2018
Manufacturers Serial Number	69064

Not described on the International Registry Manufacturer's List but registered as

	Quantity	Manufacturer / Type	Serial Numbers
Engines	Two	Pratt & Whitney 210A	#1 = PCE – BP0126 #2 = PCE – BP0125
Avionics	Various	Various	Various
Propeller / Rotor blades	Five	Leonardo HD	344, 371, 378, 380 and 385
APU	N/A	N/A	N/A

Not described on the International Registry Manufacturer's List but registered as

State of Registration	United Kingdom
Aviation Authority	United Kingdom Civil Aviation Authority
Maintenance Performer	Specialist Aviation Services Limited
Habitual Base	Gloucestershire Airport / Robin Hood Airport

Required Insurance Value	€8,500,000.00	Required Insurance currency	Sterling
Minimum Liability Cover	£75,000,000.00	Permitted Deductible	2.5% of agreed value up to maximum of £30,000.00
Major Damage Limit	£50,000.00		

Each Engine is 550 or more rated takeoff horsepower or its equivalent

Yes

Each Propeller is capable of absorbing 750 or more related takeoff shaft horsepower

N/A

1 Definitions and interpretation

1.1 In this **Deed** the following words will have the meanings given alongside them:

- | | | |
|--------|---|---|
| 1.1.1 | Agreed Modifications | means those particular modifications agreed between the Customer and Lombard prior to the date of this Agreement and which will be made to the Aircraft by the Customer up to the value of £150,000 prior to the Aircraft entering into service; |
| 1.1.2 | Aircraft | means the aircraft more particularly described in the Aircraft details together with the Engines and Propellers (whether or not any of the Engines and Propellers may from time to time be installed on the Airframe), the Technical Records and all Parts now or hereafter installed in or on the Airframe and all substitutions, renewals and replacements from time to time made in or to or installed in or on the Airframe in accordance with this Deed including any Parts which are for the time being detached from the Airframe but which remain the property of the Customer ; |
| 1.1.3 | Airframe | means the Aircraft excluding the Engines and the Technical Records ; |
| 1.1.4 | Airworthiness Directive | means an airworthiness directive issued by the Aviation Authority or by EASA or the national civil aviation authority of the Aircraft's country of manufacture; |
| 1.1.5 | Authorisation | has the meaning given to it in the Aviation Loan Terms ; |
| 1.1.6 | Arrival Certificate | means a certificate in the form and substance satisfactory to Lombard ; |
| 1.1.7 | Authority Letter | the letters sent or to be sent by the Customer to any party (including Eurocontrol) in respect of any charges (including navigation charges) in relation to the Aircraft in the form set out in schedule 5; |
| 1.1.8 | Aviation Authority | means the Civil Aviation Authority of the United Kingdom or each person who shall from time to time be vested with the control and supervision of, or have jurisdiction over, the registration, airworthiness and operation of aircraft or other matters relating to civil aviation in the State of Registration; |
| 1.1.9 | Aviation Loan Agreement | the aviation loan agreement entered into between the Customer and Lombard in relation to the financing of the Aircraft inclusive of the Aviation Loan Terms ; |
| 1.1.10 | Aviation Loan Terms | the aviation loan terms which form part of the Aviation Loan Agreement ; |
| 1.1.11 | Business Day | has the meaning given to it in the Aviation Loan Terms ; |
| 1.1.12 | Cape Town Convention and Aircraft Protocol | means the Convention on International Interests in Mobile Equipment and the Aircraft Protocol on International Interests in Mobile Equipment on Matters specific to Aircraft Equipment each signed at Cape Town on the 16th November, 2001; |
| 1.1.13 | Charging Period | has the meaning given to it in the Aviation Loan Terms ; |
| 1.1.14 | Charter | any charter relating to the Aircraft or any lease, sublease or operating agreement whereby possession of the Aircraft is granted to a third party pursuant to clause 9; |
| 1.1.15 | Charter Guarantee | any guarantee, bond, letter of credit or any other form of security supporting a Charter ; |
| 1.1.16 | Compulsory Acquisition | means, in respect of the Aircraft , the Airframe and/or an Engine , requisition for title or other compulsory acquisition of title (but excluding requisition for use or hire) of such Aircraft , Airframe or Engine , as the case may be; |
| 1.1.17 | Currency | has the meaning given to it in the Aviation Loan Agreement ; |

1.1.18	Customer's Obligations	has the meaning given to it at clause 2;
1.1.19	Default	has the meaning given to it in the Aviation Loan Terms ;
1.1.20	Deregistration Power of Attorney	the power of attorney to deregister the Aircraft in favour of Lombard in the form set out in Schedule 1;
1.1.21	EASA	the European Aviation Safety Authority and any successor organisation or authority;
1.1.22	Earnings	all amounts of any kind which may at any time be earned, due or payable arising from any Charter in respect of the Aircraft ;
1.1.23	Encumbrance	has the meaning given to it in the Aviation Loan Terms ;
1.1.24	Engines	<p>(a) each of the engines described in the Aircraft details whether or not from time to time installed on the Airframe or any other airframe but which, having been removed from the Airframe, remains the property of the Customer;</p> <p>(b) any other engine which may from time to time be installed upon or attached to the Airframe which becomes the property of the Customer;</p> <p>(c) in so far as the same belong to the Customer, any and all appliances, instruments or accessories or other equipment or Parts of whatever nature from time to time relating to an engine referred to in (a) or (b) above whether or not installed on or attached to such engine; and</p> <p>(d) in so far as the same belongs to the Customer, all substitutions, replacements or renewals from time to time made on or to any items referred to in (a), (b) and (c) above in accordance with this Deed;</p>
1.1.25	Eurocontrol	the Central Route Charges Office, European Organisation for the Safety of Air Navigation;
1.1.26	Eurocontrol Letter	means the letter sent or to be sent by the Customer to Eurocontrol in respect of air navigation charges in relation to the Aircraft in the form set out in Schedule 4;
1.1.27	Event of Default	has the meaning given to it in the Aviation Loan Terms ;
1.1.28	Finance Document	has the meaning given to it in the Aviation Loan Terms ;
1.1.29	Financial Indebtedness	has the meaning given to it in the Aviation Loan Terms ;
1.1.30	Guarantor	has the meaning given to it in the Aviation Loan Terms ;
1.1.31	Holding Company	has the meaning given to it in the Aviation Loan Terms ;
1.1.32	Insurance(s)	all policies or contracts of insurance relating to the Aircraft ;
1.1.33	Insurers	in respect of the Insurances , such insurance underwriters and/or insurance companies in the major international insurance markets as may be, from time to time, approved by Lombard in accordance with the terms of this Deed ;
1.1.34	Interest	has the meaning given to it in clause 2.1.1;
1.1.35	International Registry	the registry established pursuant to the Cape Town Convention and Aviation Protocol ;
1.1.36	Maintenance Agreement	has the meaning given to it in the Aviation Loan Terms ;

1.1.37	Maintenance Performer	has the meaning given to it in the Aviation Loan Terms ;
1.1.38	Maintenance Programme	a programme for the maintenance of the Aircraft prepared and/or approved by the Aviation Authority and the manufacturer of the Aircraft ;
1.1.39	Major Damage	has the meaning given to it in clause 5.2.2;
1.1.40	Major Damage Sum	the major damage sum specified at the front of this Deed;
1.1.41	Material Adverse Effect	a change in condition or circumstances (including any legal, tax or VAT treatment) which in Lombard's view is materially adverse to any Obligor or to the assets, business or financial condition or trading prospects of any Obligor such that the Obligor could reasonably be expected to be unlikely to meet any of its payment or other obligations under the under the Finance Documents or any other agreement with Lombard ;
1.1.42	Necessary Modification	means any modification to the Aircraft which is necessary for the enhancement of the use of the Aircraft provided that such modification does not (i) exceed a cost of £100,000.00; and (ii) diminish the value, utility, condition, or airworthiness of the Aircraft;
1.1.43	Obligor	the Customer , any Guarantor and any Security Provider ;
1.1.44	Operating Agreement	has the meaning given to it in the Aviation Loan Terms ;
1.1.45	Operator	such person operating, chartering or leasing the Aircraft as permitted under clause 9;
1.1.46	Parts	means, all modules, appliances, parts, accessories, auxiliary power unit, instruments, furnishings and other equipment of whatsoever nature which are from time to time attached to the Airframe or an Engine or which, having been removed therefrom, remains the property of the Customer ;
1.1.47	Permitted Lien	has the meaning given to it in the Aviation Loan Terms ;
1.1.48	Permitted Transaction	has the meaning given to it in the Aviation Loan Terms ;
1.1.49	Propellers	means: <ul style="list-style-type: none"> (a) each of the propellers described in the Aircraft details whether or not from time to time installed on the Airframe or any other airframe but which, having been removed from the Airframe, remains the property of the Customer; or (b) any other propeller which may from time to time be installed upon or attached to the Airframe which becomes the property of the Customer; and (c) in so far as the same belong to the Customer, any and all appliances, instruments or accessories or other equipment or Parts of whatever nature from time to time relating to a propeller referred to in (a) or (b) above whether or not installed on or attached to such engine; and <p>in so far as the same belongs to the Customer, all substitutions, replacements or renewals from time to time made on or to any items referred to in (a), (b) and (c) above in accordance with this Deed;</p>
1.1.50	Relevant Jurisdiction	has the meaning given to it in the Aviation Loan Terms ;
1.1.51	Requisition	(a) any expropriation, confiscation, requisition or acquisition of the Aircraft , whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a government or official authority (excluding a requisition for hire for a fixed period not exceeding one year

without any right to an extension); and / or

- (b) any arrest, capture, seizure, sequestration, forfeiture, compulsory acquisition or detention of the **Aircraft** (including any hijacking or theft or disappearance),

in each case unless the **Aircraft** is redelivered to the full control of the relevant **Obligor** within thirty (30) days;

- 1.1.52 **Requisition Compensation** all sums payable by reason of a **Requisition** and/or **Compulsory Acquisition** of the **Aircraft**;
- 1.1.53 **Searchlight Equipment** means the Trakka A800 searchlight manufactured by Trakka Systems and any related equipment and components which are installed on the **Aircraft**;
- 1.1.54 **Security Assets** the **Aircraft** and all assets which from time to time are subject to the security created or expressed to be created by this **Deed**;
- 1.1.55 **Security Documents** has the meaning given to it in the **Aviation Loan Agreement**;
- 1.1.56 **Security Period** the period starting from the date of this **Deed** and ending on the date on which the **Customer's Obligations** have been unconditionally and irrevocably repaid and discharged in full and **Lombard** has no commitment to lend to the **Customer**;
- 1.1.57 **SPV** has the meaning given to it in the **Aviation Loan Terms**;
- 1.1.58 **State of Registration** has the meaning given to it in the **Aviation Loan Agreement**;
- 1.1.59 **Subsidiary** has the meaning given to it in the **Aviation Loan Terms**;
- 1.1.60 **Tax** has the meaning given to it in the **Aviation Loan Terms**;
- 1.1.61 **Technical Records** means all records, logs, technical data and other materials and documentation relating to the **Aircraft** and the maintenance and operation thereof, including, without limitation, those which are from time to time required to comply with the regulations and requirements of the **State of Registration** or which are kept in purported compliance with such regulations and requirements;
- 1.1.62 **Total Loss** has the meaning given to it in the **Aviation Loan Terms**;
- 1.1.63
- 1.1.64 **VAT** has the meaning given to it in the **Aviation Loan Terms**; and
- 1.1.65 **Warranties** any agreement under which warranties are provided in favour of the **Customer** in relation to the **Aircraft** and to the extent that such agreement and/or warranties are assignable.

1.2 Capitalised terms defined in the **Aviation Loan Agreement** have the same meaning in this **Deed** unless expressly defined in this **Deed**.

1.3 The provisions of clauses 1.2 – 1.5 of the **Aviation Loan Agreement** apply to this **Deed** as though they were set out in full in this **Deed**, except that references to the **Aviation Loan Agreement** will be construed as references to this **Deed**.

1.4 Unless a contrary indication appears:

1.4.1 a reference in this **Deed** to "**Customer's Obligations**" where the **Customer** is more than one person, includes such person's joint, several and independent liabilities and references to "**Customer**" are to them together and separately;

1.4.2 It is intended that this document takes effect as a deed notwithstanding that a party may only execute it under hand.

2 **Customer's Obligations**

- 2.1 The **Customer** agrees to pay to **Lombard** on demand all the **Customer's Obligations**. The **Customer's Obligations** are all the **Customer's** liabilities to **Lombard** (present, future, actual or contingent and whether incurred alone or jointly with another) including (without limitation):
- 2.1.1 interest at the rate charged by **Lombard** in accordance with the terms of the **Aviation Loan Agreement**, calculated both before and after demand or judgment or decree on a daily basis ("**Interest**"); and
- 2.1.2 **Payments Due**; and
- 2.1.3 any expenses, costs or administration charges, **Lombard** or a receiver incurs (on a full indemnity basis and with interest from the date of payment) in connection with the **Aircraft** or taking, perfecting, protecting or enforcing this **Deed** or exercising any power under it. Upon request **Lombard** will provide details of its costs and expenses to the **Customer**.
- 2.2 **Interest** due and unpaid will be compounded monthly on the days selected by **Lombard** but will remain immediately due and payable.
- 2.3 The **Customer's** obligation to make all payments under this **Deed** is absolute and unconditional and each payment must be made in full, without set-off or deduction, or withholding for any **Taxes**, save for any withholding **Taxes** which are required by law in which event the **Customer** shall pay to **Lombard** such additional amount as is necessary to ensure that the net amount received by **Lombard** is equal to the amount **Lombard** would have received in the absence of any requirement to make any such set-off, deduction or withholding.
- 3 Charge**
- 3.1 As a continuing security for the payment on demand of the **Customer's Obligations**:
- 3.1.1 with effect from the date of this **Deed**:
- (a) the **Customer** with full title guarantee and to the fullest extent possible under any applicable law charges by way of first priority fixed charge, in favour of **Lombard**, all of its right, title and interest, present and future, in and to the **Aircraft**; and
- (b) the security interest expressed to be created by clause 3.1.1(a) above is intended to be and shall constitute an international interest over the **Aircraft** (including each **Engine**) in favour of **Lombard** as creditor and chargee for the purposes of the **Cape Town Convention and Aircraft Protocol**;
- 3.1.2 with immediate effect from the date of the **Arrival Certificate**, the **Customer** with full title guarantee, mortgages by way of first priority legal mortgage to and in favour of **Lombard** all of its rights, title and interest present and future in and to the **Aircraft**.
- 3.2 As a continuing security for the payment on demand of the **Customer's Obligations** the **Customer** hereby unconditionally and irrevocably and with full title guarantee assigns to **Lombard** absolutely by way of security all of its right, title, benefit and interest, now or at any later time, in and to:
- (a) all **Charters, Earnings** and any **Charter Guarantee**;
- (b) all **Insurances** and proceeds of the **Insurances**;
- (c) all **Warranties, Operating Agreements** and **Maintenance Agreements**;
- (d) all **Requisition Compensation**; and
- (e) any sale and purchase agreement which the **Customer** is party to in relation to the **Aircraft**.
- 3.3 The assignment under clause 3.2 above is subject to a proviso for reassignment on irrevocable discharge in full of the **Customer's Obligations**. Following the expiry of the **Security Period** **Lombard** shall, at the request and cost of the **Customer** promptly execute and deliver to the **Customer** a discharge of this **Deed** together with all further instruments and documents which the **Customer** may require for the purpose of discharging the security constituted by this **Deed**.
- 3.4 If any property expressed to be assigned in this clause 3 cannot be assigned, the **Customer** shall hold that property on trust for **Lombard** and the assignment shall take effect as an assignment of any damages, compensation, remuneration, profit, rent or income which the **Customer** may derive from that right or be entitled to in respect of that right.
- 3.5 Any **Part** or **Engine** which becomes the property of the **Customer** pursuant to clause 8.2.5 shall, without the need for any further act, become subject to this **Deed** and shall form part of the **Security Assets**.

4 Perfection of security

4.1 The **Customer** shall promptly on request by **Lombard**, give notice of assignment:

4.1.1 in form and substance satisfactory to **Lombard**, to each party with whom the **Customer** has entered into a **Charter, Charter Guarantee, Operating Agreement or Maintenance Agreement** or any other agreement under which **Earnings** are paid;

4.1.2 substantially in the form set out in Schedule 2, to the **Insurer's** broker;

4.1.3 substantially in the form set out in Schedule 3, to each person who has given **Warranties**, or to each person who has entered into a **Charter, Charter Guarantee, Operating Agreement or Maintenance Agreement** in relation to the **Aircraft**,

and shall use all reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to **Lombard** in form and substance satisfactory to **Lombard**.

4.2 The **Customer** shall procure that the **Aircraft** is flown to England within three (3) Business Days of the date of this Deed and shall provide **Lombard** with a duly executed **Arrival Certificate** within one (1) days of such arrival.

5 Receipts

5.1 The **Earnings** and any sums recoverable under any **Charter Guarantee, Operating Agreement or Maintenance Agreement** shall be payable to the **Customer** until **Lombard** directs to the contrary following the occurrence of an **Event of Default**, on and after which direction:

5.1.1 the **Customer** shall immediately pay such amounts to **Lombard** or as **Lombard** may direct, and **Lombard** may instruct all persons from whom those sums are due to do the same; and

5.1.2 any such sums then held by the **Customer's** brokers, bankers or other agents or representatives shall be deemed to have been received by, and to be held by them, on trust for **Lombard**.

5.2 Before an **Event of Default** occurs, sums recoverable in respect of the **Insurances** shall be payable as follows:

5.2.1 any sum recoverable in respect of a **Total Loss** under the **Insurances** shall be paid to **Lombard**;

5.2.2 any sum recoverable under the **Insurances** in respect of a casualty to the **Aircraft** in respect of which the claim or the aggregate of the claims against all insurers (before adjustment for any relevant franchise or deductible) exceeds the **Major Damage Sum ("Major Damage")** shall be paid to **Lombard** save that:

(a) the sum received by **Lombard** shall be paid over to the **Customer** upon the **Customer** providing evidence satisfactory to **Lombard** that all loss and damage resulting from the casualty has been properly made good and repaired and that liabilities connected with the casualty have been paid by the **Customer**; and

(b) the insurers with whom the **Insurances** are effected may in the case of any **Major Damage**, and with the prior written consent of **Lombard**, make payment to the repairers on account of the repairs which are being carried out;

5.2.3 any sum recoverable in respect of a **Total Loss** of an **Engine** shall be paid to **Lombard** save that where **Lombard** has accepted a replacement engine for the **Engine** which has suffered a **Total Loss** (and such replacement engine has become an **Engine** for the purposes of this Deed) the sum received by **Lombard** shall be paid over to the **Customer** or to the seller of that replacement **Engine**;

5.2.4 any other sum recoverable under the **Insurances** shall be paid to the **Customer** which shall apply it in making good the loss and fully repairing all damage in respect of which that insurance money was received; and

5.2.5 any sum recoverable under the **Insurances** against general third party liability shall be paid directly to the person to whom the **Customer** is liable or to the **Customer** in reimbursement of moneys expended by it to discharge that liability.

5.3 On or after the occurrence of an **Event of Default**, any sums recoverable under the **Insurances** (other than those referred to in clause 5.2.5) shall be payable to **Lombard**.

5.4 On or after the occurrence of an **Event of Default**, any sums recoverable in respect of the **Warranties** shall be payable to **Lombard**.

6 Representations and warranties

6.1 The **Customer** represents and warrants to **Lombard** on the date it signs this Deed that:

- 6.1.1 it is a limited liability company duly incorporated or established under the laws of the **Jurisdiction of Incorporation** and it has the power to carry on its business and to own its property and other assets;
- 6.1.2 the obligations expressed to be assumed by it in each **Finance Document** to which it is a party are legal, valid, binding and enforceable obligations;
- 6.1.3 it has power to execute and perform its obligations under those **Finance Documents** to which it is a party;
- 6.1.4 the execution and performance by it of the **Finance Documents** to which it is a party does not:
- (a) contravene any applicable law, order or regulation;
 - (b) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or any licence or other authorisation to which it is subject or by which it or any of its property is bound unless such conflict, breach or default could not reasonably be expected to have a **Material Adverse Effect**; or
 - (c) contravene or conflict with its memorandum, articles of association or any other constitutional documents relating to it;
- 6.1.5 it has and will maintain all necessary **Authorisations** to perform its obligations under the **Finance Documents**;
- 6.1.6 any **Authorisation** required or desirable to make any **Finance Document** admissible in evidence in each **Relevant Jurisdiction** has been obtained or effected and is in full force and effect;
- 6.1.7 the choice of governing law of any **Finance Document** to which it is a party will be recognised and enforced in each **Relevant Jurisdiction**;
- 6.1.8 any judgment obtained in relation to any **Finance Document** to which it is a party in the jurisdiction of the governing law of that **Finance Document** will be recognised and enforced in each **Relevant Jurisdiction**;
- 6.1.9 any filing, recording or enrolment with any court or other authority of any **Finance Document** to which it is a party necessary under the laws of any **Relevant Jurisdiction** has been completed;
- 6.1.10 any stamp, registration, notarial or similar **Tax** or fee to be paid (on or in relation to):
- (a) any **Finance Document** to which it is a party; or
 - (b) the transactions contemplated by any **Finance Document** to which it is a party; or
 - (c) under the laws of any **Relevant Jurisdiction**,
- has been paid or will be paid by the time required by law;
- 6.1.11 it is not necessary under the laws of any **Relevant Jurisdiction**:
- (a) in order to enable **Lombard** to enforce its rights under any **Finance Document** to which the **Customer** is a party; or
 - (b) by reason of the execution of any **Finance Document** to which the **Customer** is a party or the performance by **Lombard** of its obligations under any **Finance Document** to which the **Customer** is a party,
- that **Lombard** should be licensed, qualified or otherwise entitled to carry on business in any **Relevant Jurisdiction**;
- 6.1.12 **Lombard** will not be deemed to be resident, domiciled or carrying on business in any **Relevant Jurisdiction** by reason only of the execution, performance and/or enforcement of any **Finance Document** to which the **Customer** is a party;
- 6.1.13 it has not taken any action nor have any steps been taken or legal proceedings been started or to the best of its knowledge threatened in writing against it for:
- (a) winding-up, dissolution, re-organisation, voluntary arrangement under Part I of the Insolvency Act 1986 or any other scheme of arrangement or composition with its creditors; or
 - (b) the enforcement of any **Encumbrance** over its assets; or
 - (c) the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any of its assets;

- 6.1.14 except as disclosed to **Lombard** in writing before the date of signing this **Deed**, no action, litigation, arbitration or administrative proceeding has been commenced or to the best of its knowledge is pending or threatened against it or any **Subsidiary** of the **Customer**, involving a potential liability which could if adversely determined, individually or in aggregate, have a **Material Adverse Effect** nor is there subsisting any unsatisfied judgment or award given against it or any such member or **Subsidiary**;
- 6.1.15 except as disclosed to **Lombard** in writing before the date of signing this **Deed**, to the best of its knowledge, having made reasonable enquiry, no action, litigation, arbitration or administrative proceeding has been commenced or is pending or threatened against any Obligor (other than the **Customer**) or any **Holding Company** involving a potential liability which could, individually or in aggregate, have a **Material Adverse Effect** nor is there subsisting any unsatisfied judgment or award given against any such **Obligor, Holding Company or member**;
- 6.1.16 it has not made any representations or warranties, whether express or implied, in connection with the **Finance Documents** which may increase **Lombard's** obligations or adversely affect **Lombard's** rights;
- 6.1.17 all information supplied by it or by any person on its behalf to **Lombard** was and remains true and complete in all respects and it is not aware of any material fact or circumstance which has not been disclosed to **Lombard**;
- 6.1.18 the **Aircraft** is not subject to any **Encumbrance** other than any **Permitted Lien**;
- 6.1.19 where it is stated or shown in the **Deed** that the **Customer** is an **SPV**, that no **Encumbrance** exists over all or any of its assets other than any **Permitted Lien**;
- 6.1.20 the security created by each **Security Document** has or will have the ranking which it is expressed to have in the **Security Document** and it is not subject to any prior ranking or pari passu ranking **Encumbrance** other than as permitted in writing by **Lombard** or as exists by operation of applicable law;
- 6.1.21 it has a good, valid and marketable title to, or valid leases or licences of, and all appropriate **Authorisations** to use, the assets necessary to carry on its business as presently conducted;
- 6.1.22 it is the sole legal and beneficial owner of the assets over which it purports to grant security pursuant to the **Security Documents** to which it is a party including, without limitation, the **Aircraft**; and
- 6.1.23 where it is stated in this **Deed** that the **Aircraft** shall be used in the course of the **Customer's** business only and not otherwise.
- 6.2 Each of the representations set out above are repeated by the **Customer** on the date of this **Deed** and the last day of each **Charging Period** by reference to the facts and circumstances then existing.

7 Aircraft undertakings

- 7.1 The **Customer** will at all times during the **Security Period** (or, if applicable, shall procure that any **Operator** of the **Aircraft** will):
- 7.1.1 register and keep the **Aircraft** registered at the **Aviation Authority** with the same registration mark either:
- (a) in the **Customer's** name as owner; or
 - (b) if applicable, in the name of the **Operator**.
- in accordance with all applicable laws and regulations;
- 7.1.2 register this **Deed** and keep this **Deed** registered against the **Aircraft** in the register of aircraft mortgages maintained by the **Aviation Authority**;
- 7.1.3 not do, and shall procure that no third party does, any act or thing which might prejudice or cancel the registrations referred to in clauses 7.1.1 and 7.1.2;
- 7.1.4 inform **Lombard** immediately of any requirement imposed by any insurer of the **Aircraft** or an authority with which the **Customer** is unable to comply;
- 7.1.5 use the **Aircraft** in a safe, careful and proper manner and in accordance with the manufacturer's recommendations;
- 7.1.6 provide to **Lombard** annually copies of any maintenance records, log books and insurance information relating to the **Aircraft**;

- 7.1.7 ensure the **Aircraft** is operated in accordance with all applicable laws and regulations and in a manner which does not prejudice the rights of **Lombard** in respect of the **Security Assets**, not engage in any unlawful trade or allow the **Aircraft** to carry a cargo which will expose the **Aircraft** to penalty or forfeiture;
- 7.1.8 pay when due and discharge or cause to be promptly paid and discharged as they fall due all costs and expenses of operating, storing and maintaining the **Aircraft** and performing its obligations under the documents in relation to the **Aircraft** (including all taxes, fines, licence fees, charges of airport authorities (whether relating to landing fees, parking fees, handling charges or otherwise), all charges imposed by air navigation authorities (including **Eurocontrol**) and all charges of the **Aviation Authority** (whether relating to navigation or otherwise)) and will on written request by **Lombard**, supply evidence of the payment of any such charges;
- 7.1.9 immediately inform **Lombard** of any arrest, proceedings, collision, incident, or damage (where such damage exceeds the **Major Damage Sum**) or **Total Loss** affecting the **Aircraft**;
- 7.1.10 not, without the prior written consent of **Lombard**, change the **Habitual Base** from that notified to **Lombard** prior to the date of this **Deed**. This clause shall not apply where the **Habitual Base** is changed to a location in England provided always **Lombard** is given prior written notice of such location;
- 7.1.11 permit **Lombard** and its authorised representatives to inspect the **Aircraft** at any time upon giving reasonable notice and for that purpose grant or use all reasonable endeavours to procure access for **Lombard** and its authorised representatives to any land or buildings on or in which the **Aircraft** or any **Engine** or **Part** may be stored provided however that any such inspection shall not (unless an **Event of Default** or a **Default** has occurred) disturb the normal commercial operation or maintenance of the **Aircraft**;
- 7.1.12 not allow the **Aircraft** to be used in any part of the world where there are hostilities (whether war is declared or not) or enter a zone which is declared a war zone by any government or by the **Insurers**;
- 7.1.13 document any commercial use of the **Aircraft** on market standard terms;
- 7.1.14 perform and discharge all duties, liabilities or obligations imposed on the **Customer** under any **Charter, Operating Agreement** or other contract relating to the **Aircraft**;
- 7.1.15 if requested by **Lombard**, deposit with **Lombard** all deeds and documents of title, leases or **Charters** relating to the **Security Assets** other than those documents that by operation of applicable law must remain on the **Aircraft**;
- 7.1.16 not create or allow to subsist, or permit or permit any other person to create or grant, any **Encumbrance** over the **Security Assets** or any part thereof and shall procure the immediate discharge of any **Encumbrance** which arises or exists in respect of the **Security Assets** or any part thereof other than:
- (a) a **Permitted Lien** in respect of the **Aircraft**; or
 - (b) any other **Encumbrance** disclosed to **Lombard** in writing prior to the date of the **Aviation Loan Agreement** and confirmed in the written confirmation provided under the **Aviation Loan Terms**;
- 7.1.17 not assign or purport to assign any **Earnings** or **Insurances** in relation to the **Aircraft** other than under the **Finance Documents**;
- 7.1.18 not amend or end, or grant a waiver under, any contract mortgaged, charged, assigned or held on trust under this **Deed**;
- 7.1.19 promptly, upon becoming aware of the same, notify **Lombard** of any **Encumbrance** over the **Aircraft**;
- 7.1.20 if requested by **Lombard**, promptly affix and keep affixed to the **Aircraft** in a prominent position in the cockpit a fireproof metal plate which has inscribed thereon (in legible characters) the following statement:
- "This Aircraft, its engines and accessories are owned by Specialist Aviation Services Limited subject to a first priority mortgage in favour of Lombard North Central PLC";
- 7.1.21 not sell, transfer or otherwise dispose of the **Aircraft** or any part thereof or interest therein other than with the prior written consent of **Lombard** (which consent **Lombard** shall have absolute discretion to withhold);
- 7.1.22 promptly give written notice to **Lombard** of the occurrence of any **Event of Default, Default, Total Loss** or any condition, event or circumstance which, with the lapse of time, might constitute a **Total Loss**;
- 7.1.23 comply with any other requirements which **Lombard** notifies to the **Customer**;

- 7.1.24 retain a copy of any certificate issued by the relevant tax authorities evidencing that **VAT** has been paid in respect of the **Aircraft** on board the **Aircraft**;
- 7.1.25 if **VAT** has not been paid in respect of the purchase of the **Aircraft** by the **Customer**, ensure that **VAT** does not become payable in respect of the **Aircraft**;
- 7.1.26 take (at its own cost) all steps required from time to time by applicable law or by customary and established practice or as **Lombard** may reasonably request to protect and perfect **Lombard's** interest in the **Aircraft** as mortgagee;
- 7.1.27 procure that the **Aircraft**:
- (a) possesses a valid certificate of airworthiness issued by the **Aviation Authority**;
 - (b) possess a valid certificate of registration issued by the **Aviation Authority**;
 - (c) possess (if issued by the **Aviation Authority**) a valid annual airworthiness review certificate;
 - (d) possesses a valid annual release to service issued by the **Maintenance Performer**; and
 - (e) possesses a valid Air Operator's Certificate on which the **Aircraft** is listed where the **Aircraft** is used for commercial air transport or aerial work.
- 7.1.28 deliver a copy of each renewed or reissued certificate of airworthiness, certificate of registration, airworthiness review certificate and a valid annual release to service to **Lombard** promptly upon such renewal or each annual reissue of each certificate (if applicable) by the **Aviation Authority**;
- 7.1.29 not, remove or permit the removal of any **Part** or any equipment belonging to the **Aircraft** (other than in accordance with clause 8.2) without **Lombard's** prior written consent;
- 7.1.30 procure that no steps are taken to deregister the **Aircraft** from the register of aircraft, or this **Deed** from the register of mortgages, maintained by the **Aviation Authority** without the prior written consent of **Lombard** (which consent **Lombard** shall have absolute discretion to withhold);
- 7.1.31 procure that the **Aircraft** is at all times insured in accordance with the requirements of clause 10;
- 7.1.32 following an **Event of Default** which is continuing the **Customer** shall forthwith, upon the request of **Lombard** but at no cost to **Lombard** (and without prejudice to the rights of **Lombard** pursuant to the **Deregistration Power of Attorney**), execute all such documents or agreements and take all such steps as are within its power and as are required in order to de-register the **Aircraft** from registration with, and export the **Aircraft** from, the **State of Registration**.

8 Operational and maintenance undertakings

- 8.1 The **Customer** will at all times during the **Security Period** (or, if applicable, shall procure that any **Operator** of the **Aircraft** will):
- 8.1.1 keep the **Aircraft** in good and airworthy condition and maintain and repair the **Aircraft**, the **Engines** and all **Parts** in accordance with (i) the **Maintenance Programme**, (ii) all mandatory rules and regulations of the **Aviation Authority** to the standard required by the **Aviation Authority** and (iii) any other regulations or requirements necessary in order to enable the **Aircraft** at any time to obtain a certificate of airworthiness issued by the **Aviation Authority** plus a valid annual release to service stamp issued by the **Maintenance Performer**;
- 8.1.2 maintain or cause to be maintained (in writing and in English) all logbooks, maintenance records, record books and other documents as are required by the **Aviation Authority** to the standard required by the **Aviation Authority** or the **Maintenance Programme** to be maintained with respect to the **Aircraft**;
- 8.1.3 replace or cause to be replaced promptly any **Part** of the **Aircraft** or any **Engine** in respect of which a **Total Loss** occurs with a replacement **Part** or **Engine** which shall be (i) owned by the **Customer** free and clear of all **Encumbrances** other than **Permitted Liens** (ii) subject to the **Encumbrances** intended to be created by this **Deed** and (iii) in such operating condition as, and of equivalent or better value to, the replaced **Part** or **Engine** was (or would have been if it had been maintained in accordance with the terms hereof), and where a **Part** or **Engine** is replaced under this clause, the **Customer** agrees to enter into a mortgage supplement in respect of such replacement **Part** or **Engine**;
- 8.1.4 make or cause to be made all mandatory or recommended alterations and modifications and additions to the **Aircraft** and the **Engines** as may from time to time be required by the **Aviation Authority** within the time period required by the **Aviation Authority** or any other relevant authority or the manufacturer of the **Aircraft** or any **Engine**;

- 8.1.5 comply with all mandatory **Airworthiness Directives** from time to time issued by the **Aviation Authority** or any other relevant authority and any modification recommended by the manufacturer of the **Aircraft** or any **Engine** in a mandatory service bulletin (unless such mandatory service bulletin is excluded by the **Aviation Authority**);
 - 8.1.6 ensure that all inspections (in connection with maintenance), services, repairs, overhauls, tests and modifications to be made or carried out to or on the **Aircraft** are made or carried out by a maintenance performer approved by the **Aviation Authority**;
 - 8.1.7 not suffer any arrest, detention, exercise of a possessory lien, execution, distress or other legal process to be levied or sued out against the **Aircraft** and in the event of an arrest, detention, exercise of a possessory lien, execution, distress or other legal process as aforesaid, the **Customer** shall notify **Lombard** immediately and shall take all steps necessary to ensure or procure that the **Aircraft** is promptly released therefrom;
 - 8.1.8 ensure that such crew and engineers as are employed in connection with the operation and maintenance of the **Aircraft** have such qualifications and hold such licences as are required by the **Aviation Authority** and by all other applicable laws and regulations;
 - 8.1.9 operate the **Aircraft** or cause the **Aircraft** to be operated only in the ordinary course of its business and not operate or permit the **Aircraft** to be operated for testing (other than for maintenance), training (other than of in-house pilots), racing, experimental flying or any other purpose for which it is not designated or reasonably suitable;
 - 8.1.10 at any time upon giving reasonable notice make available to **Lombard** for inspection the **Technical Records** and other log books of the **Aircraft** and all other repair, maintenance, modification, overhaul or other records kept by the **Customer** or any other person in respect of the **Aircraft**; and
 - 8.1.11 on request, promptly furnish to **Lombard** all such information regarding the operation, maintenance and condition of the **Aircraft** as **Lombard** may reasonably request.
- 8.2 Until the occurrence of an **Event of Default**, the **Customer** may:
- 8.2.1 remove any **Part** (other than an **Engine**) in the ordinary course of maintenance, service, repair, overhaul or testing, if it promptly replaces it with a replacement **Part** which satisfies the requirements of clause 8.1.3;
 - 8.2.2 remove any **Engine** or **Searchlight Equipment** in the ordinary course of maintenance, service, repair, overhaul or testing provided that such **Engine** or **Searchlight Equipment** is re-installed on the **Aircraft**, or a replacement engine or replacement searchlight equipment which satisfies the requirements of clause 8.1.3 is installed on the **Aircraft**, within thirty days (or such longer period as may be permitted by **Lombard**) of the removal from the **Aircraft** of such **Engine** or **Searchlight Equipment** and provided further that the removed **Engine** or **Searchlight Equipment** remains the property of the **Customer** unless and until a replacement engine or replacement searchlight equipment satisfying the requirements of clause 8.1.3 is installed on the **Aircraft**;
 - 8.2.3 make such alterations and modifications in and additions to the **Aircraft** as it thinks desirable in the proper conduct of its business or which may arise as a result of an **Airworthiness Directive** or a service bulletin provided that no such alteration, modification or addition (other than an **Airworthiness Directive** or mandatory service bulletin) breaches the requirements or recommendations of the **Aviation Authority**, the **Maintenance Programme**, the manufacturer or any other relevant authority or materially diminishes the value or utility of the **Aircraft** below that prevailing immediately prior to such modification or alteration or impairs the airworthiness of the **Aircraft** and further provided that no such alteration or modification may be made with or comprising **Parts** which are not in the absolute legal and beneficial ownership of the **Customer** free from all **Encumbrances** other than **Permitted Liens**;
 - 8.2.4 remove any **Part** (other than an **Engine**) from the **Aircraft** without replacing it as required pursuant to the terms hereof if such **Part** (i) is in addition to and not in replacement of any **Part** previously installed on or attached to the **Aircraft**, (ii) is not required to be installed on or attached to the **Aircraft** by the terms hereof and (iii) can be removed from the **Aircraft** without impairing the airworthiness of the **Aircraft** or materially diminishing the value of the **Aircraft** below the value which the **Aircraft** would have had had such additional **Part** not been installed thereon or attached thereto;
 - 8.2.5 whilst an **Engine** has been removed from the **Aircraft** in accordance with the provisions of clause 8.2.2, install a replacement engine notwithstanding that such replacement engine is not the property of the **Customer** provided that the removed **Engine** is re-installed, or such other engine as may satisfy the requirements of clause 8.1.3 is installed, on the **Aircraft** within the period specified in clause 8.2.2 and, further provided that the **Engine** substituted or replaced by such replacement engine shall at all times remain free from any **Encumbrance** other than **Permitted Liens**, shall remain the property of the **Customer**, and shall not cease to be subject to this **Deed** unless and until it is replaced by an engine which satisfies the requirements of clause 8.1.3;
 - 8.2.6 whilst the **Searchlight Equipment** has been removed from the **Aircraft** in accordance with the provisions of clause 8.2.2, install replacement searchlight equipment notwithstanding that such replacement searchlight equipment is not the property of the **Customer** provided that the removed **Searchlight Equipment** is re-installed, or such other searchlight equipment as may satisfy the requirements of clause 8.1.3 is installed, on the **Aircraft** within the period

specified in clause 8.2.2 and, further provided that the **Searchlight Equipment** substituted or replaced by such replacement searchlight equipment shall at all times remain free from any **Encumbrance** other than **Permitted Liens**, shall remain the property of the **Customer**, and shall not cease to be subject to this **Deed** unless and until it is replaced by searchlight equipment which satisfies the requirements of clause 8.1.3; and

8.2.7 print or paint its name or other symbol on the **Aircraft**.

8.3 Save insofar as expressly required or permitted by the terms hereof and subject in any case as provided in clause 8.2, the **Customer** shall not, without the prior written consent of **Lombard** make any alteration in or modification or addition to the **Aircraft** (except for the **Agreed Modifications** and any **Necessary Modification**), remove any part from the **Aircraft** or install any **Part** on or attach any **Part** to the **Aircraft** or permit any of the said events to occur. The **Customer** shall provide **Lombard** with full details of any **Necessary Modification** made in respect of the **Aircraft** as soon as practicable after completion thereof.

8.4 The **Customer** shall promptly notify **Lombard**:

8.4.1 of any material alterations in or material modifications or additions to the **Aircraft**;

8.4.2 of any **Encumbrance** (excluding **Permitted Liens**) arising on the **Aircraft** and (in the case of all liens including **Permitted Liens**) exercised over the **Aircraft** or any part thereof;

8.4.3 (if **Lombard** so requests) the location of the **Aircraft** and of any **Engine** which is not, for the time being, installed on or attached to the **Aircraft**; and/or

8.4.4 of the details, including but not limited to the manufacturer's serial number and confirmation of certification by the **Aviation Authority**, of the **Searchlight Equipment** as soon as the same are available.

8.5 The existence of any agreement for maintenance of the **Aircraft** shall not in any way absolve, negate, reduce or mitigate the **Customer's** obligations to maintain the **Aircraft** in the manner required under this **Deed**.

8.6 The **Customer** shall:

8.6.1 ensure that the **Aircraft** shall not be used or operated when the **Insurances** are not in full force and effect or otherwise at a time or in a manner or in any geographical area which constitutes a breach of the terms of the **Insurances** or is otherwise inconsistent with the terms of the **Insurances**;

8.6.2 not cause or permit the **Aircraft** to be operated in contravention of any airworthiness certificate or the **Aircraft** operating manual relating thereto for the time being;

8.6.3 not make, do, permit, consent or agree to any act or omission to act (save as permitted or contemplated by this **Deed**) which would or might cause the **Aircraft**, or any **Part** thereof, to be exposed to penalty, forfeiture, impounding, destruction or abandonment under any applicable law or regulation; or

8.6.4 not hold out or represent or permit the holding out or representation that any member of the crew of the **Aircraft** is in the employment of **Lombard** or that **Lombard** is carrying persons or goods in the **Aircraft** or are in any way connected or associated (whether for hire or gratuitously) with any operation of the **Aircraft** undertaken (or on behalf of) by the **Customer**.

9 Possession, subleasing and chartering

9.1 The **Customer** may not, without **Lombard's** prior written consent, charter the **Aircraft**, which consent **Lombard** may grant or withhold in its absolute discretion.

9.2 The **Customer** may deliver possession of the **Aircraft**, **Airframe**, any **Engine** or any **Part** to the relevant **Maintenance Performer** or to any other suitably qualified maintenance contractor approved by **Lombard** for the purpose of performing maintenance or other work required or permitted by this **Deed**.

9.3 Save as permitted by clauses 9.1 and 9.2, the **Customer** shall not lease, or otherwise part with possession of, the **Aircraft** without the prior written consent of **Lombard**, which consent **Lombard** may grant or withhold in its absolute discretion.

9.4 If, pursuant to clause 9.1 or 9.3 **Lombard** consents to the **Aircraft** being leased or subleased, or otherwise operated by other person, the **Customer** shall procure that:

9.4.1 the rights of that person under that lease, sublease or other operating agreement are expressed to be subject and subordinate to the rights of **Lombard** under this **Deed**;

- 9.4.2 that person executes and delivers to **Lombard** (prior to the commencement of that lease, sublease or other operating agreement) a **Deregistration Power of Attorney**, an **Authority Letter** and a consent and subordination agreement in terms specified by **Lombard**;
- 9.4.3 the lease, sublease or other operating agreement contains provisions which are at least as onerous as those set out in clauses 8 and 10;
- 9.4.4 the lease, sublease or other operating agreement contains such terms that shall not cause the **Customer** to be in breach of any **Finance Document** or cause an **Event of Default**;
- 9.4.5 the rights under that lease, sublease or other operating agreement (and any rights in relation to the insurances and warranties relating to the **Aircraft**, the **Airframe** or any **Engine** or **Part**) are assigned to **Lombard** (prior to the commencement of that lease, sublease or other operating agreement) in terms specified by **Lombard**.

10 Insurance undertakings

- 10.1 The **Customer** will at all times during the **Security Period** effect and maintain (or cause to be effected and maintained) at its own expense in relation to the **Aircraft**:
- 10.1.1 "Hull All Risks" insurance for loss of or damage to the **Aircraft** whilst flying and on the ground on an agreed value basis in an amount in the **Required Insurance Currency** which is no less than the **Required Insurance Value**;
- 10.1.2 "Spares All Risks" insurance (including "Hull, War and Allied Perils Risk" to the fullest extent available) on the **Engines** and **Parts** while not installed on the **Airframe** (and not considered part of the aircraft for insurance purposes) of the **Aircraft** for their full replacement cost (unless otherwise insured on an agreed value basis) in the **Required Insurance Currency**;
- 10.1.3 "Hull, War and Allied Perils" insurance, being such risks excluded from the "Hull All Risks" policy by application of War, Hijacking and Other Perils Exclusion Clause AVN48B (or subsequent version) to the fullest extent available from the leading aviation insurance markets, including confiscation and requisition by the **State of Registration** on an "agreed value basis" for an amount in the **Required Insurance Currency** which is no less than the **Required Insurance Value**.
- 10.2 The insurances required under clause 10.1 shall be provided on an agreed value basis (that is to say on the basis that in the event of a total loss the **Insurers** will pay the specified agreed value rather than the cost of acquiring a replacement aircraft) or as otherwise set out in this Deed and the policies shall include the form of AVN67B endorsement and, to the extent not in conflict with AVN67B:
- 10.2.1 include **Lombard** and its successors and assigns as additional insured and contract party for its rights and interests;
- 10.2.2 include a loss payable clause that provides that all insurance proceeds in respect of a **Total Loss** shall be payable to **Lombard**;
- 10.2.3 include a reference to the **Aviation Loan Agreement** and this **Deed**;
- 10.2.4 include, in the event of separate insurances being arranged to cover the "Hull All Risks" insurance and the "Hull War Risk" and related insurance, a 50/50 claims funding arrangement in the event of any dispute as to whether a claim is covered by the "Hull All Risks" or "Hull War Risks" policy, wording in the terms of Lloyds clause AVS103 being sufficient for such purpose; and
- 10.2.5 be subject to a deductible (except in the event of **Total Loss**) of not more than the **Permitted Deductible**.
- 10.3 The **Customer** shall effect and maintain (or cause to be effected and maintained) at its own expense in relation to the **Aircraft**, a policy or policies of insurance covering aircraft third party, passenger, baggage, cargo, mail and airline general third party (including products, premises and hangerkeepers) legal liability for a combined single limit (bodily injury/property damage) of not less than the **Minimum Liability Cover** (and in any event no less than the amount carried in respect of the same or similar aircraft in the **Customer's** fleet in the same jurisdiction as the **Aircraft**). War and Allied Perils Risks shall also be covered in accordance with the then current market practice for aircraft of the same type as the **Aircraft**.
- 10.4 The policies evidencing the insurances required under clause 10.3 shall:
- 10.4.1 include **Lombard** and its officers, directors, employees, agents and its successors and assigns each as additional insured and as contract parties;
- 10.4.2 not conflict with AVN 67B;

- 10.4.3 provide that all the provisions thereof, except the limits of liability, shall operate to give each additional insured the same protection as if there were a separate policy covering each named insured save that this provision shall not operate to include any claim howsoever arising in respect of loss or damage to the **Aircraft** or relevant spare parts covered under the Hull or spares insurance, it being understood that notwithstanding the foregoing the total liability of **Insurers** in respect of any and all insured parties shall not exceed the limits of liability stated in the policy; and
- 10.4.4 be primary and without right of contribution from other insurance which may be available to **Lombard** or any of its officers, directors, employees, agents and its successors and assigns.
- 10.5 The policies evidencing any **Insurances** with respect to the **Aircraft** required under clauses 10.1 and 10.3 shall:
- 10.5.1 provide that the cover afforded to the additional insured shall not be invalidated by any act or omission (including misrepresentation and non-disclosure) of any other person or party which results in a breach of any term, condition or warranty of the policy provided that the additional insured so protected has not caused, contributed to or knowingly condoned the said act or omission;
- 10.5.2 provide for worldwide coverage (subject only to such exceptions as are consistent with generally accepted market practice from time to time or such other exceptions as **Lombard** may reasonably agree in writing);
- 10.5.3 provide that the **Insurers** shall waive any right of subrogation to any right against **Lombard**, any of its officers, directors, employees, agents and its successors, transferees and assigns;
- 10.5.4 provide that **Lombard** shall not be liable for any premiums in respect thereof and that the **Insurers** shall not exercise any right of set-off or counterclaim in respect of unpaid premiums or otherwise against the interest of **Lombard** otherwise than in respect of unpaid premiums with respect to the **Insurances** of the **Aircraft**; and
- 10.5.5 provide that the required insurances may only be cancelled or materially altered in a manner adverse to the additional insureds and contract parties by the giving of not less than thirty days' notice in writing (but seven days or such lesser period as may be customarily available in respect of War and Allied Perils) to **Lombard**. Notice shall be deemed to commence from the date such notice is given by the **Insurers**. It is understood that such notice will not, however, be given at normal expiry date of the policy or any endorsement.
- 10.6 All **Insurances** required under clauses 10.1 or 10.3 shall be maintained with such insurance underwriters and/or insurance companies as **Lombard** may reasonably approve.
- 10.7 The **Customer** shall, in relation to the **Aircraft**, at its own cost and expense:
- 10.7.1 furnish or procure that there is furnished to **Lombard**, forthwith upon the date not later than seven days after the renewal date of each **Insurance**, a certificate or certificates, as hereinafter described, signed by the relevant **Insurers** (or their authorised representatives) or brokers, reasonably acceptable to **Lombard**, which have been appointed by the **Customer** (the "**Brokers**") providing evidence of insurance coverage pursuant to this clause 10. Each such certificate shall (i) describe the perils covered by each policy of insurance issued by it then in force, (ii) specify the amounts of insurance coverage provided against each such peril and any deductible or uninsured amount and (iii) certify that each such policy is then in full force and effect;
- 10.7.2 furnish or procure that there is furnished to **Lombard**, on written request, evidence of (a) payment of each sum then due and payable under or in connection with any required **Insurance** and (b) before or on the expiry of any policy or policies in respect of such **Insurances**, renewal of the relevant policy or policies or that renewal will be effected on expiry;
- 10.7.3 procure that the relevant **Insurers** or **Brokers** provide **Lombard** with such other information as to any **Insurances** as **Lombard** may reasonably request.
- 10.8 The **Customer** shall, in relation to the **Aircraft** and at its own cost and expense, cause the relevant **Brokers** to issue a written undertaking in favour of **Lombard** in such form as **Lombard** may reasonably approve having regard to market practice at such time which shall, subject as aforesaid, inter alia, (i) require such **Brokers** to notify **Lombard** forthwith upon such **Brokers** becoming aware of any cancellation or non-renewal of or modification to a required **Insurance** or of their ceasing to act as insurance brokers to the **Customer** or of any other fact or circumstance of which they may at any time learn which might invalidate any required insurance or render it wholly or partially unenforceable and (ii) require the **Brokers** to provide **Lombard** with a certificate of insurance at the same time as the **Broker** supplies the same to the **Customer**.
- 10.9 The **Customer** shall, in relation to the **Aircraft**, forthwith notify **Lombard** of any event (including but not limited to a **Total Loss**) which will or may give rise to a claim under any required **Insurance**.
- 10.10 The **Customer** shall not in relation to any required **Insurance** taken out in respect of the **Aircraft**:

- 10.10.1 make or permit the making of any modification to any required **Insurance** without the prior written consent of **Lombard** except for such modification which does not breach the terms of the **Insurances** as specified in the **Finance Documents** and provided further that the **Customer** shall promptly provide **Lombard** with a summary of any modifications made to the **Insurances**; or
- 10.10.2 do or omit to do or permit to be done or left undone anything whereby any required **Insurance** would or might reasonably be expected to be rendered in whole or in part invalid or unenforceable and, without prejudice to the foregoing, shall not use or keep or permit the **Aircraft** or any part thereof to be used or kept for any purpose, in any manner or in any place not covered by the required **Insurances**; or
- 10.10.3 cause or knowingly permit the **Aircraft** to be employed or used in any place or in any manner or for any purpose inconsistent with the terms of or outside the cover provided by any required **Insurances** or if the **Insurances** have lapsed.
- 10.11 The **Customer** shall, in relation to any required **Insurance** taken out in relation to the **Aircraft**, bear any part of any loss or liability which is to be borne by the insured under any required **Insurance** (notwithstanding that such **Insurance** names **Lombard** or other person as additional named insured).
- 10.12 The **Customer** shall, in relation to any required **Insurance** taken out in relation to the **Aircraft**, reimburse **Lombard** on demand the amount of any premiums or premium instalments which **Lombard** may pay together with interest thereon calculated for the period from the date of payment by **Lombard** until the date of payment by the **Customer** (after as well as before judgment).
- 10.13 If the **Customer** shall fail to maintain or cause to be maintained **Insurances** which in the opinion of **Lombard** meet the requirements hereof, **Lombard** may at its option, after notice in writing to the **Customer**, obtain such **Insurances** and in such event the **Customer** shall, upon demand, reimburse **Lombard** for the cost thereof together with interest thereon for the period from the date of payment by **Lombard** to the date of payment by the **Customer** (after as well as before judgment).
- 10.14 Without in any way limiting the **Customer's** obligations under the other provisions of this clause 10, the **Customer** undertakes that if, at any time, clause "AVN2000 Date Recognition Exclusion Clause" or any equivalent clause is endorsed on the policies of insurance required hereunder, the **Customer** shall, at its cost and expense, do all things and take any and all such action available to it to ensure that the interests of **Lombard** under such policies of insurance are fully protected (including, without limitation, ensuring that clauses "AVN2001 Date Recognition Limited Coverage Clause" and "AVN2002 Date Recognition Limited Coverage Clause" or any equivalent clauses are endorsed on the policies of insurance required hereunder as soon as possible thereafter). If at any time **Lombard** shall be of the opinion (acting reasonably) that the interests of **Lombard** in the **Insurances** are not adequately protected by reason of the operation of clause "AVN2000 Date Recognition Exclusion Clause" or any equivalent clause, **Lombard** may (but shall not be obliged to) take out such policy of insurance to insure **Lombard** against such risks as **Lombard** may think fit (acting reasonably) and the **Customer** shall indemnify and does hereby indemnify **Lombard** against any and all costs incurred in connection therewith.
- 10.15 The **Customer** will procure that aviation third party legal liability insurance shall be maintained for the benefit of **Lombard** as additional insured, without any cost for **Lombard**, for a two (2) year period following the repayment in full of the **Customer's Obligations** or, if earlier, until the next heavy maintenance check after such repayment date.
- 11 Requisition**
- 11.1 The **Customer** will remain fully liable to **Lombard** for all its obligations under this **Deed** should there be a **Requisition** of the **Aircraft** (other than those with which it is physically unable to comply owing to the requisition) unless and until **Lombard** is satisfied that the requisition authority has assumed the **Customer's** obligations to **Lombard**, and **Lombard** has so confirmed to the **Customer**.
- 11.2 The **Customer** agrees that the **Requisition Compensation** will be paid to **Lombard** by way of prepayment of the **Customer's Obligations** if **Lombard** requests.
- 11.3 When any **Requisition** ends the **Customer** will immediately and fully comply with all of its obligations under this **Deed**.
- 12 Indemnity to Lombard**
- 12.1 The **Customer** will indemnify **Lombard** against any liability or loss (including legal costs) arising from any claims as a result of (a) the **Customer** or **Lombard** entering into this **Deed**; (b) the **Customer** failing to perform any of its obligations under this **Deed**; (c) **Lombard** investigating any event that it believes to be a default under this **Deed**; or (d) **Lombard** relying on any notice, request or instruction delivered under this **Deed**. The **Customer** will pay **Lombard** within three **Business Days** of demand by **Lombard**.
- 12.2 The **Customer** shall indemnify **Lombard** against any **Taxation** or similar charge imposed by any governmental or taxing authority which arises in relation to the **Aircraft**, this **Deed** or any payments due under this **Deed** (including for the avoidance of doubt, any amount of value added tax determined by **Lombard** to be irrecoverable but excluding

Taxes on **Lombard's** overall net profits). The **Customer** will pay **Lombard** within three **Business Days** of demand by **Lombard**.

12.3 Where the **Customer** indemnifies or reimburses **Lombard** for any liability, loss or **Tax** the amount payable by way of indemnity or reimbursement shall take account of the likely **Tax** treatment in the hands of **Lombard** (as conclusively determined by **Lombard**) of (i) the indemnity payment or reimbursement and (ii) the **Tax** or loss suffered in respect of which that amount is payable. In the event that the assumed **Tax** treatment of the indemnity payment or any reimbursement proves to be incorrect the **Customer** agrees to pay, on demand, any additional sum required to ensure that **Lombard** occupies the same after-**Tax** position as it would occupy if no such adjustment were necessary.

12.4 These indemnities will continue in force notwithstanding any **Event of Default** or termination of this **Deed**.

13 When security becomes enforceable

Without prejudice to **Lombard's** other rights under this **Deed** or by virtue of applicable law, upon the occurrence of an **Event of Default**, and at any time thereafter, **Lombard** may, irrespective of whether a notice has been served on the **Customer**, declare the security constituted by the **Security Documents** to have become immediately enforceable and thereafter **Lombard** shall be entitled, without further notice or further demand, immediately to exercise all the powers and remedies possessed by it according to applicable law as mortgagee of the **Aircraft** and in particular but, without limitation, the powers set out in this **Deed**.

14 Possession and exercise of powers

14.1 **Lombard** does not have an immediate right to possession of the **Aircraft** or its income (and will not be considered to be taking possession if it enters to inspect or repair the **Aircraft**). The **Customer** will continue in possession until **Lombard** takes possession.

14.2 Any purchaser or third party dealing with **Lombard** or a receiver may assume that **Lombard's** powers have arisen and are exercisable without proof that demand has been made.

14.3 The receipt of **Lombard** or its delegate or any receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the **Security Assets**.

15 Appointment of receiver

Following the occurrence of an **Event of Default**, **Lombard** may appoint or remove a receiver or receivers of the **Aircraft**. Any restriction imposed by law on the right of a mortgagee to appoint a receiver (including under section 109(1) of the Law of Property Act 1925) that can be excluded does not apply to this **Deed**. If **Lombard** appoints a receiver, **Lombard** may fix and pay the receiver's fees and expenses (without being limited to the maximum rate specified in section 109(6) of the Law of Property Act 1925). The receiver will be the **Customer's** agent and the **Customer** (and not **Lombard**) will be responsible for the acts, defaults and remuneration of the receiver.

16 Powers of Lombard and receivers

16.1 When the security created by this **Deed** becomes enforceable in accordance with clause 13, **Lombard** or any receiver may:

16.1.1 enter, take possession of, operate and/or generally manage the **Aircraft** and enter upon any land or premises where the **Aircraft** may be located without being liable to the **Customer** (or any lessee of the **Aircraft**) for or by reason of such entry;

16.1.2 apply to any authority in the country in which the **Aircraft** or any part thereof is located for an enforcement and attachment order in respect of the **Aircraft**;

16.1.3 apply to any court of competent authority for an order so as to vest all the **Customer's** right, title and interest in the **Aircraft** in **Lombard** absolutely;

16.1.4 sell, call in, collect and convert into money the **Aircraft** to the extent that it is entitled to do so with all such powers in that respect as are conferred by applicable law (the power of sale shall arise, and the **Customer's Obligations** shall be deemed due and payable for that purpose, on the execution of this **Deed**) and by way of extension thereof such sale, calling in, collection and conversion may be made by public or private contract at any place in the world with or without notice to the **Customer**, without being liable to account for any loss of or deficiency in the consideration therefore and so that **Lombard** shall have power in its absolute discretion to postpone any such sale or to proceed to a forced sale without being liable for any loss resulting there from (except that resulting from **Lombard's** wilful misconduct or gross negligence), and for the purposes of this clause 16.1.4 **Lombard** may (in its sole discretion) by written notice appoint the **Customer** its non-exclusive agent to sell the **Aircraft** on terms satisfactory to **Lombard**;

16.1.5 maintain and/or repair the **Aircraft**;

- 16.1.6 settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with or in any way relating to the **Aircraft** or the **Customer's Obligations** and execute releases or other discharges in relation thereto;
- 16.1.7 put the **Aircraft** in storage for such term and generally in such manner and upon such conditions and stipulations as **Lombard** shall think fit;
- 16.1.8 execute and do all such acts, deeds and things as **Lombard** may consider necessary or proper for or in relation to any of the purposes aforesaid;
- 16.1.9 hire, lease, charter or accept surrenders of any hire, lease or charter, charge or deal with the **Aircraft** without restriction;
- 16.1.10 take, continue or defend any proceedings and enter into any arrangement or compromise in relation to the **Security Assets**;
- 16.1.11 insure the **Aircraft**, arrange indemnity and other similar insurance, and obtain bonds and give counter-indemnities and other security in connection with this **Deed**;
- 16.1.12 employ advisers, consultants, managers, agents and others;
- 16.1.13 purchase or acquire materials, tools, equipment, furnishing, goods or supplies;
- 16.1.14 collect, recover and give good discharge for any moneys or claims forming part of, or relating to, any **Security Assets** and to permit any brokers through whom collection or recovery is effected to charge the usual brokerage for such collection or recover; and
- 16.1.15 do any acts which **Lombard** or a receiver considers to be incidental to the exercise of its powers or generally beneficial to **Lombard**.
- 16.2 A receiver may borrow and secure the repayment of any money, in priority to the **Customer's Obligations**.
- 16.3 In addition to the powers set out in this clause 16, a receiver shall have all the powers conferred on a receiver by the Law of Property Act 1925 and the Insolvency Act 1986 and any other applicable statute. Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this **Deed**.
- 16.4 Joint receivers may exercise their powers jointly or separately.
- 16.5 A receiver will first apply any money received from the **Aircraft** towards the repayment of all money that the receiver has borrowed and secondly in payment of the receiver's fees and expenses. The receiver will then apply any remaining money received as required by law.
- 16.6 **Lombard** may exercise any of its powers whether or not a receiver has been appointed.
- 16.7 Each of **Lombard** and any receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this **Deed** on such terms and conditions as it sees fit, which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the **Lombard** or the receiver itself or any subsequent delegation or revocation of it.
- 16.8 Any credit balance with **Lombard** will not be repayable, or capable of being transferred, charged or dealt with by the **Customer** until the **Customer's Obligations** have been paid in full.
- 16.9 None of **Lombard**, its delegate(s), nominee(s) or any receiver shall be liable for any loss by reason of (a) taking any action permitted by this **Deed** or (b) any neglect or default in connection with the **Security Assets** or (c) taking possession of or realising all or any part of the **Security Assets**, except in the case of gross negligence or wilful default upon its part.
- 16.10 **Lombard** will not be required in any manner to perform or fulfil any obligation of the **Customer**, make any payment, make any enquiry as to the nature or sufficiency of any payment received by it or present or file any claim or take any action to collect or enforce the payment of any amount.
- 16.11 **Lombard** shall not be liable either to the **Customer** or to any other person by reason of the appointment of a receiver or for any other reason.
- 16.12 Neither **Lombard** nor the receiver will be in any way liable or responsible to the **Customer** for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

17 Application of payments

- 17.1 **Lombard** may apply any payments received for the **Customer** to reduce any of the **Customer's Obligations**, as **Lombard** decides.
- 17.2 Until all amounts which may be or become payable by the **Customer** to **Lombard** have been irrevocably paid in full, **Lombard** (or any trustee or agent on its behalf) may without affecting the liability of the **Customer** under this **Deed**:
- 17.2.1 refrain from applying or enforcing any other monies, security or rights held or received by **Lombard** (or any trustee or agent on its behalf) against those accounts or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
- 17.2.2 hold in an interest-bearing suspense account any moneys received from the **Customer** or on account of the **Customer's** liability under this **Deed**.
- 17.3 If **Lombard** reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the **Customer** under this **Deed** and the security created under this **Deed** shall continue and such amount shall not be considered to have been irrevocably paid.
- 17.4 If **Lombard** receives notice of any **Encumbrance** affecting the **Aircraft** other than a **Permitted Lien**, **Lombard** may suspend the operation of the **Customer's** account(s) and open a new account or accounts. Regardless of whether **Lombard** suspends the account(s), any payments received by **Lombard** after the date of that notice will be applied first to repay any of the **Customer's Obligations** arising after that date.

18 Preservation of other security and rights and further assurance

- 18.1 This **Deed** is in addition to any other security for the **Customer's Obligations** held by **Lombard** now or in the future. **Lombard** may consolidate this **Deed** with any other security so that they have to be redeemed together, but it will not merge with or prejudice any other security or **Lombard's** other rights.
- 18.2 The security created under this **Deed** will be a continuing security for the ultimate balance of the **Customer's Obligations** notwithstanding any intermediate payment or settlement of all or any part of the **Customer's Obligations**.
- 18.3 The obligations of the **Customer** under this **Deed** will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this **Deed** (whether or not known to it or **Lombard**). This includes:
- 18.3.1 any time or waiver granted to, or composition with, any person;
- 18.3.2 any release of any person under the terms of any composition or arrangement;
- 18.3.3 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;
- 18.3.4 any non-presentation, non-observance of any formality or other requirements in respect of any instrument or any failure to realise the full value of any security;
- 18.3.5 any incapacity, lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 18.3.6 any amendment of any document or security;
- 18.3.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any document or security or the failure by any person to enter into or be bound by any document or security; or
- 18.3.8 any insolvency or similar proceedings.
- 18.4 Without prejudice to the generality of clause 18.2 above, the **Customer** expressly confirms that it intends that the security under this **Deed** shall extend from time to time to any variation, increase, extension or addition (however fundamental) of or to any document creating any of the **Customer's Obligations** and/or any facility or amount made available under such document.
- 18.5 Unless all amounts which may be or become payable by the **Customer** to **Lombard** have been irrevocably paid in full or as **Lombard** otherwise directs, the **Customer** will not, after a claim has been made or by virtue of any payment or performance by it under this **Deed**:

- 18.5.1 be subrogated to any rights, security or moneys held, received or receivable by **Lombard** (or any trustee or agent on its behalf); nor
- 18.5.2 be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the **Customer's** liability under this clause.
- 18.6 The **Customer** waives any right it may have of first requiring **Lombard** (or any trustee or agent on **Lombard's** behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up or liquidation proceedings relative to any other person before claiming from the **Customer** under this **Deed**.
- 18.7 If the **Customer's Jurisdiction of Incorporation**, or the **State of Registration** has, or at any time brings into force, any legislative or other provisions giving effect to the **Cape Town Convention and Aviation Protocol**, the **Customer** shall:
- 18.7.1 promptly register together with **Lombard** any interest with the **International Registry** with respect to the **Aircraft** and/or any **Engine** and constituted by any **Finance Document**;
- 18.7.2 promptly register together with **Lombard** any interest with the **International Registry** with respect to any replacement **Engine** provided in accordance with clause 8.1.3 at the time of such replacement;
- 18.7.3 promptly do all acts and things and enter into any agreements (subordination or otherwise) reasonably required by **Lombard** to protect and/or enhance and/or improve the title, rights, priority of any international interests and any other interests vested in **Lombard** with respect to the **Aircraft** and/or any **Engine** and constituted by any **Finance Document** and consent to the registration of any of the foregoing;
- 18.7.4 agree to any amendment, restatement, revision or any variation to any **Finance Document** to the extent necessary if required by **Lombard** to permit the interests created by the relevant **Finance Document** to constitute international interests under the **Cape Town Convention and Aircraft Protocol**;
- 18.7.5 promptly execute and deliver an irrevocable de-registration and export request authorisation in respect of the **Aircraft** in the form set out Schedule 6 (an "**IDERA**");
- 18.7.6 use its best endeavours to promptly procure countersignature of the **IDERA** by the **Aviation Authority** and return an original **IDERA** signed by the **Customer** and the **Aviation Authority** to **Lombard**; and
- 18.7.7 not register or consent to the registration of, any conflicting interests (whether or not taking priority over **Lombard's** international interests) at the **International Registry** without **Lombard's** prior written consent.]
- 18.8 The **Customer** shall not change the **State of Registration** without the consent of **Lombard** (which **Lombard** shall have absolute discretion to withhold). At the request of **Lombard** upon a change of the **State of Registration** of the **Aircraft** taking place, the **Customer** shall execute in favour of **Lombard** a deed amending or supplementing this **Deed** and/or a mortgage and/or any other document required by **Lombard** for the purpose of preserving the security intended to be created hereby in such form as **Lombard** may reasonably request.

19 Non-compliance by the Customer

If the **Customer** for any reason fails to observe or punctually perform any of its obligations under this **Deed**, **Lombard** shall be entitled, on behalf of or in the name of the **Customer** or otherwise and at the cost of the **Customer**, to perform the obligation and to take any steps which **Lombard** may consider necessary with a view to remedying or mitigating the consequences of the failure.

20 Power of attorney

By way of security, to give effect to this **Deed** and to perfect, protect and enhance the security created by this **Deed** and secure the exercise of any of their powers, the **Customer** irrevocably appoints **Lombard**, and separately any receiver appointed pursuant to the provisions of this **Deed**, to be the **Customer's** attorney (with full power of substitution and delegation), in the **Customer's** name to sign or execute any documents, deeds and other instruments, or take, continue or defend any proceedings in accordance with this **Deed** and the **Aviation Loan Agreement**. The **Customer** ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 20.

21 Lombard's rights

If **Lombard** waives or decides not to enforce any of its rights under this **Deed**, **Lombard** may enforce any such right at a later date.

22 Set-off

Lombard may at any time, and without notice to the **Customer**, combine or consolidate all or any of the **Customer's** then existing accounts with any liabilities to **Lombard** and apply any sum due to the **Customer** in satisfaction of any sum due and unpaid by the **Customer** under any **Finance Document** or any other agreement, or guarantee with or other obligation owed to **Lombard**.

23 Currency

23.1 **Lombard** may convert any payment it receives in any other currency in respect of this **Deed** to the **Currency** at its chosen spot rate of exchange for the purchase of the relevant currency in the London foreign exchange market at the relevant time.

23.2 **Lombard** may convert the **Value** stated in any valuation supplied to it in connection with this **Deed** from one currency to the **Currency**, at its chosen spot rate of exchange for the purchase of the relevant currency in the London foreign exchange market at the relevant time.

24 Severability

If at any time any provision in connection with this **Deed** becomes illegal, invalid or unenforceable the remaining provisions will not in any way be affected or impaired thereby.

25 Variations

No variation of these terms shall be valid unless it is in writing and signed by or on behalf of each of the **Customer** and **Lombard**.

26 Notices

26.1 All consents, notices and demands relating to this **Deed** must be in writing (which shall include, in the case of a notice issued by **Lombard**, by electronic means).

26.2 **Lombard** may deliver a notice or demand to the **Customer** at the contact details last known to **Lombard**, the **Customer's** registered office, or the **Address for Service**, if one is specified.

26.3 A notice or demand by **Lombard** will be deemed given at the time of personal delivery; on the next **Business Day** after posting; or, if by fax or other electronic means, at the time of sending, if sent before 6.00 pm (London time) on a **Business Day**, or otherwise on the next **Business Day**.

26.4 The **Customer** must deliver a notice to **Lombard** addressed to the address or fax number shown above. Notice by the **Customer** will be effective when received by **Lombard**. For the avoidance of doubt, no notices may be served on **Lombard** by e-mail.

27 Transfers

27.1 **Lombard** may allow any person to take over any of its rights or duties under this **Deed** and may provide information about the **Customer** or any **Finance Document** to which the **Customer** is party to the transferee in connection with any proposed transfer and any person to whom such information is required to be disclosed by any applicable law.

27.2 The **Customer** is not entitled to assign or otherwise transfer its rights or obligations under this **Deed**.

28 Counterparts

This **Deed** may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same instrument.

29 Third party rights

Unless expressly provided to the contrary in this **Deed**, 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 to enjoy the benefit of any term of this **Deed**.

30 Entire agreement

This **Deed** (and any agreed variations made in accordance with the terms of this **Deed**), and any documents referred to herein, sets out the entire agreement between the parties. It supersedes any previous agreement between them in relation to the subject matter of the **Deed**.

31 Law

31.1 This **Deed** (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

31.2 For **Lombard's** benefit only, the **Customer** irrevocably submits to the jurisdiction of the English courts detailed above in connection with any dispute arising out of, or connected with, or concerning the existence or validity of, this **Deed** (each a dispute). The **Customer** agrees to waive any objection to the English courts detailed above, whether on the grounds of venue or that the forum is not appropriate. **Lombard** may take any proceedings in connection with any dispute in any other court of competent jurisdiction.

31.3 Any **Address for Service**, or any other address provided for this purpose, will be an effective address for serving proceedings on the **Customer**.

IN WITNESS of which this **Deed** has been executed as a deed by the **Customer** and signed by **Lombard** and delivered by them on the date stated at the beginning of this **Deed**.

Executed and Delivered as a deed by Specialist Aviation Services Limited the **Customer**

Director

Director/Secretary

Print name

Print name

If only one signature is required, it must be that of a Director, and a witness is required

Signed by the Director in the presence of:

Witness' signature

Witness' name in full JOHN BARTON HIGGS

Address

Occupation

Signed for by Lombard North Central PLC

Authorised Signatory

Print name

31.2 For **Lombard's** benefit only, the **Customer** irrevocably submits to the jurisdiction of the English courts detailed above in connection with any dispute arising out of, or connected with, or concerning the existence or validity of, this **Deed** (each a dispute). The **Customer** agrees to waive any objection to the English courts detailed above, whether on the grounds of venue or that the forum is not appropriate. **Lombard** may take any proceedings in connection with any dispute in any other court of competent jurisdiction.

31.3 Any **Address for Service**, or any other address provided for this purpose, will be an effective address for serving proceedings on the **Customer**.

IN WITNESS of which this **Deed** has been executed as a deed by the **Customer** and signed by **Lombard** and delivered by them on the date stated at the beginning of this **Deed**.

Executed and Delivered as a deed by Specialist Aviation Services Limited the **Customer**

Director

Director/Secretary

Print name

Print name

If only one signature is required, it must be that of a Director, and a witness is required

Signed by the Director in the presence of:

Witness' signature _____

Witness' name in full _____

Address _____

Occupation _____

Signed for by Lombard North Central PLC

Authorised Signatory

Print name



Schedule 1
Deregistration power of attorney



DEREGISTRATION POWER OF ATTORNEY

- 1 The undersigned, Specialist Aviation Services Limited, a company incorporated under the laws of England and Wales and having its registered office at Gloucestershire Airport, Staverton, Cheltenham, Gloucestershire, GL51 6SS (the "**Company**") is the registered owner of the Leonardo AW169 aircraft bearing manufacturer's serial number _____ and United Kingdom registration mark _____ (the "**Aircraft**").
- 2 As security for the performance of the obligations of the Company under the Loan Agreement dated _____ between Lombard North Central PLC ("**Lombard**") and the Company relating to the Aircraft (the "**Loan Agreement**"), the Company IRREVOCABLY AND UNCONDITIONALLY APPOINTS Lombard to be its lawful attorney to execute and to do and perform on its behalf and in its name or otherwise to apply for, obtain and deliver any documents, instruments, permits, licences, approvals or certificates with such amendments thereto (if any) which may be required to obtain de-registration of the Aircraft from the register of aircraft maintained by the United Kingdom Civil Aviation Authority and the export of the Aircraft from the United Kingdom.
- 3 AND the Company hereby undertakes to ratify and confirm whatsoever Lombard shall lawfully do or cause to be done by virtue of this Power of Attorney.
- 4 AND the Company hereby further grants unto Lombard full power and authority to substitute and appoint in its place one or more attorney or attorneys to exercise for it as attorney or attorneys of the Company any or all the powers and authorities hereby conferred and to revoke any such appointment from time to time and to substitute or appoint any other or others in the place of such attorney or attorneys as Lombard shall from time to time think fit.
- 5 AND the Company hereby undertakes from time to time and at all times to indemnify Lombard and/or any of its appointed attorney or attorneys against all costs and expenses and liabilities howsoever incurred by Lombard and its attorneys in connection herewith and further undertakes to ratify and confirm whatever Lombard and its attorney shall lawfully do or cause to be done in or by virtue of this Power of Attorney.
- 6 The powers conferred by the Company in this Power of Attorney are irrevocable and unconditional and are granted for value and secure proprietary interests in and the performance of obligations owed to Lombard and shall not terminate unless and until all amounts owing by the Company to Lombard pursuant to the Loan Agreement have been satisfied in full.
- 7 No failure or delay on the part of Lombard to exercise, and no delay in exercising any right, power or privilege under this Power of Attorney shall operate as a waiver thereof, nor shall the exercise of any right, power or privilege under this Power of Attorney preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 8 The powers as set out in this Power of Attorney shall become effective from the date hereof, but shall become exercisable only following the occurrence of an Event of Default (as that term is defined in the Loan Agreement) which is continuing.
- 9 This Power of Attorney (and any non-contractual obligations arising out of or in connection with it) shall be governed by English law.

THIS Power of Attorney has been EXECUTED AS A DEED and is delivered by the Company on the date specified below.

This is an example only

EXECUTED and DELIVERED as a deed by
Specialist Aviation Services Limited.

) _____
) Director
) _____
) Director/Secretary

Schedule 1

Deregistration power of attorney



*The Power of Attorney may be signed by one signatory - who must be a Director
If there is only one signatory then a witness will be required.*

Signed by the Company in the presence of:

Witness' signature

This is an example only

Witness' name in full

Address

Occupation

Date

17/07/2015

Company must
date the
document

Notice and acknowledgement of assignment of insurances



NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF INSURANCES

To: Hayward Aviation Limited

Dated:

ONE (1) LEONARDO AW169 AIRCRAFT BEARING MANUFACTURER'S SERIAL NUMBER AND UNITED KINGDOM REGISTRATION MARK

We hereby give you notice that by a Mortgage dated (the "**Mortgage**") and made between Specialist Aviation Services Limited (the "**Customer**") and Lombard North Central PLC ("**Lombard**"), the Customer has assigned to Lombard all of its right, title and interest in, to and under, inter alia, the proceeds of the Insurances (excluding proceeds in respect of any third party liability).

Kindly acknowledge receipt of this notice by sending to Lombard an acknowledgement in the form below.

Signed on behalf of
Specialist Aviation Services Limited

By:

Title:

To: Lombard North Central PLC

We acknowledge receipt of this notice on behalf of the relevant Insurers and confirm that we (and the Insurers) have not previously received any notice of any other assignment of the interest of Specialist Aviation Services Limited in the above-mentioned Insurances.

Signed on behalf of
Hayward Aviation Limited

By:

Name:

Title:

Schedule 3

Notice and acknowledgement of assignment of warranties



NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF WARRANTIES / CHARTER / CHARTER GUARANTEE / OPERATING AGREEMENT / MAINTENANCE AGREEMENT

To: [MANUFACTURER / SUPPLIER]

Dated:

ONE (1) LEONARDO AW169 AIRCRAFT BEARING MANUFACTURER'S SERIAL NUMBER AND UNITED KINGDOM
REGISTRATION MARK

We hereby give you notice that by a Mortgage dated (the "Mortgage") and made between Specialist Aviation Services Limited (the "Customer") and Lombard North Central PLC ("Lombard"), the Customer has assigned to Lombard all of its right, title and interest in, to and under, inter alia, [INSERT DETAILS OF WARRANTIES / CHARTER / CHARTER GUARANTEE / OPERATING AGREEMENT / MAINTENANCE AGREEMENT] (the "Warranties / Charter / Charter Guarantee / Operating Agreement / Maintenance Agreement") and you are to continue performing your obligations under the [Warranties/Charter / Charter Guarantee / Operating Agreement / Maintenance Agreement] in our favour.

Kindly acknowledge receipt of this notice by sending to Lombard an acknowledgement in the form below.

Signed on behalf of
Specialist Aviation Services Limited

By:

Title:

To: LOMBARD NORTH CENTRAL PLC

We acknowledge receipt of this notice and confirm that we have not previously received any notice of any other assignment of the interest of Specialist Aviation Services Limited in the above-mentioned [Warranties / Charter / Charter Guarantee / Operating Agreement / Maintenance Agreement].

Signed on behalf of
[MANUFACTURER / SUPPLIER / CHARTERER / CHARTER GUARANTOR / OPERATOR / MAINTENANCE PERFORMER]

By:

Name:

Title:

Eurocontrol Letter



(To be printed on the Customer's headed paper)

The Director of the Central Route Charges Office
European Organisation for the Safety of Air Navigation (**EUROCONTROL**)
Rue de la Fusée, 96
1130 BRUXELLES
BELGIUM

Dated:

Dear Sir,

Authorisation Letter
Aircraft model AW169, Registration , **msn** **the "Aircraft"**

The above Aircraft is subject to a mortgage in favour of Lombard North Central PLC (the "**Mortgagee**") dated _____.

We hereby authorise you to provide the Mortgagee (or his duly authorised representative) with a general statement of account in relation to air navigation charges incurred by us and due to EUROCONTROL. Access to the statement(s) of account will be provided in accordance with the procedures established by EUROCONTROL.

The authorisation contained in this letter may only be revoked or amended by a written instruction signed by us and the Mortgagee.

Yours faithfully,

For and on behalf of
Specialist Aviation Services Limited

This is an example only

Name: _____

Title: _____

Schedule 5
Letter of Authority



To whom it may concern

Dated:

Dear Sirs

- 10 Pursuant to the Loan Agreement (the "**Loan Agreement**") dated _____ between Lombard North Central PLC ("**Lombard**") and Specialist Aviation Services Limited (the "**Company**") relating to one (1) Leonardo AW169 aircraft bearing manufacturer's serial number _____ and registration mark _____ (the "**Aircraft**"), the Aircraft will be operated by the Company during the term of the Loan Agreement.
- 11 The Company hereby irrevocably authorises any organisation referred to in Appendix A attached to disclose to Lombard or to its duly authorised agent, upon request by the same, particulars of all and any outstanding Charges due to or collectable by that organisation of a type specified in its schedule of charges and incurred in respect of:
- (a) the Aircraft; and
 - (b) any other aircraft being operated by the Company on the date this letter is presented to such organisation.

IN WITNESS whereof a duly authorised representative of the Company has granted this Authority on the day and year first above mentioned.

Yours faithfully

.....
Print name:

For and on behalf of

Specialist Aviation Services Limited

This is an example only

Schedule 5
Letter of Authority



APPENDIX A

The Charges

Organisation	Type of Charge
1. Eurocontrol	Air Navigation Service Charges
2. Any aviation authority into whose jurisdiction the Company flies the aircraft	Air Navigation Service Charges
3. All airport and airport authorities in which the Company exercises landing rights	Airport Charges
4. All government entities in the European Union charged with administering any EU ETS Laws (as defined under the EU ETS Laws below) applicable to the Company and/or the Aircraft.	ETS Charges

EU ETS Laws means:

- (a) the EU ETS Directive; and
- (b) any law, regulation, treaty, directive, decision, rule, regulatory requirement, judgement, order, ordinance, request, guideline or direction or any other act of any of a member state of the European Union implementing the EU ETS Directive; and

EU ETS Directive means Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emissions allowance trading and amending Council Directive 96/61/EC, as the same may be amended, supplemented, superseded or re-adopted from time to time (whether with or without modifications).

This is an example only

IRREVOCABLE DE-REGISTRATION AND EXPORT REQUEST AUTHORISATION

(IDERA)



IRREVOCABLE DE-REGISTRATION AND EXPORT REQUEST AUTHORISATION

In accordance with Article XIII of the Protocol to the Convention on International Interests in Mobile Equipment on matters specific to Aircraft Equipment and regulation 22 of The International Interests in Aircraft Equipment (Cape Town Convention) Regulations 2015 this is a request from the Registered Owner of the specified aircraft for the Civil Aviation Authority to record an Irrevocable De-registration and Export Request Authorisation (IDERA) on the United Kingdom Register of Civil Aircraft in relation to an interest created on or after 1st November 2015.

This form is to be completed by the current Registered Owner of the aircraft.

**Please complete this form online (preferred method) then print, sign and submit as instructed below.
Alternatively, print, then complete in BLOCK CAPITALS using black or dark blue ink.**

1. AIRCRAFT DETAILS

Registration mark	G - <input type="text"/>
Aircraft Manufacturer	LEONARDO S.P.A.
Aircraft Type	AW169
Aircraft Serial number	

(together with all installed, incorporated or attached accessories, parts and equipment, the 'Aircraft')

2. REGISTERED OWNER

Registered Owner details as currently recorded in the UK Register of Civil Aircraft see www.caa.co.uk/ginfo (or on a submitted application form for an aircraft not yet UK Registered)

Registered owner	
Address	
Email	
Telephone	

3. AUTHORISED PARTY DETAILS

Name in full	
Address	
Country of incorporation (if applicable)	
Company number (if applicable)	
Email	
Telephone	
Contact name	
Position	

Date of creation of international interest	
--	--

4. INSTRUMENT

This instrument is an irrevocable de-registration and export request authorisation issued by the registered owner in favour of creditor:

Name: LOMBARD NORTH CENTRAL PLC *(on example only)*
(Block letters)

("the authorised party") under the Article XIII of the Protocol to the Convention on International interests in Mobile Equipment on Matters specific to Aircraft Equipment. In accordance with that Article, the undersigned requests:

IRREVOCABLE DE-REGISTRATION AND EXPORT REQUEST AUTHORISATION

(IDERA)



- i recognition that the authorised party referred to above is the sole person to:
- a) procure the de-registration of the aircraft from the United Kingdom Register of Civil Aircraft maintained by the Civil Aviation Authority for the purposes of Chapter III of the Convention on International Civil Aviation, signed at Chicago, on 7 December 1944, and
 - b) procure the export and physical transfer of the aircraft from the United Kingdom: and
- ii confirmation that the authorised party or the person it certifies as its designee may take the action specified in clause (i) above on written demand without the consent of the undersigned and that, upon such demand, the authorities in the United Kingdom shall co-operate with the authorised party with a view to the speedy completion of such action.

The rights in favour of the authorised party established by this instrument may not be revoked by the undersigned without the written consent of the authorised party.

5. DECLARATION

I hereby declare that the foregoing particulars are true in every respect.

Signature(s)
Authorised signatory of the registered owner. (Director, Company Secretary or other authorised signatory)

Name..... *This is an example only*
(Block letters)

Position held:

Date

6. SUBMISSION AND PAYMENT

This form, when completed, should be forwarded to the **Civil Aviation Authority, Aircraft Registration Section, CAA House, 45-59 Kingsway, London WC2B 6TE**, and must be accompanied by the appropriate fee. The preferred submission method is for the form to be scanned and emailed to **aircraft.reg@caa.co.uk** or alternatively faxed to **(020) 7453 6670**. In both cases credit or debit card details must be completed.

If the form is being submitted by post the fee may be paid by credit or debit card or by cheque. Cheques must be drawn on a UK bank in Pounds Sterling and made payable to the Civil Aviation Authority (not CAA). The section is open to the public at the above address between 1000 and 1600 hours, Monday to Friday. Enquiries by telephone can be made, during normal office hours, on **(020) 7453 6666**, by email or visit **www.caa.co.uk/aircraftregister**.

The CAA will confirm the acceptance of the IDERA or advise of any further requirements by email within 3 working days of receipt in accordance with our service standards.

IRREVOCABLE DE-REGISTRATION AND EXPORT REQUEST AUTHORISATION

(IDERA)



PAYMENT AUTHORISATION

Please complete this form online or in BLOCK CAPITALS using black or dark blue ink, before printing, signing and submitting as instructed on the associated Application Form.

PLEASE NOTE: One Payment Authorisation Form is required for each application.

1. PAYMENT DETAILS			
a) Payment type (please tick your chosen method of payment).			
Visa	Mastercard	Maestro	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
The maximum single transaction using a Visa/Mastercard or Maestro Card is limited to £25,000.			
We do not accept American Express, Diners Club or JCB cards.			
Card Details (for payment by Credit/Debit Card)			
Card number:	<input type="text"/>		
Expiry date:	<input type="text"/> / <input type="text"/>	Security Code (last 3 digits on signature strip on reverse of card)	<input type="text"/>
Debit cards only:			
Start date:	<input type="text"/> / <input type="text"/>	Amount: £	<input type="text"/>
Issue No:	<input type="text"/> (if applicable)		
Name (as written on card): <input type="text"/>			
(BLOCK CAPS)			
Full postal address of card holder: <input type="text"/>			
			Postcode: <input type="text"/>
Card holder's signature: <input type="text"/>			
Please tick box if paying with Company Card <input type="checkbox"/>		Company Name: <input type="text"/>	
Payer: <input type="text"/>		Payers Email Address: <input type="text"/>	

Appendix – Data Protection Policy



YOUR INFORMATION

1.1 Who we are

We are a member of the Royal Bank of Scotland Group ("RBS"). For information about other RBS companies, please visit rbs.com and click on 'About us', or contact your branch or Relationship Manager.

1.2 The information we hold about you

Your information is made up of all the financial and personal information we hold about you and your transactions. It includes:

- (a) information you give to us;
- (b) information that we receive from third parties (including other RBS companies), third parties who provide services to you or us and credit reference or fraud prevention agencies;
- (c) information that we learn about you through our relationship with you and the way you operate your Agreement and/or services; and
- (d) Information that we gather from the technology which you use to access our services (for example location data from your mobile phone, or an Internet Protocol (IP) address or telephone number).

1.3 Accessing your information and other enquiries

1.3.1 If you would like a copy of the information we hold about you, please write to: The Data Protection Manager, PO Box 520, Rotherham S63 3BR. A fee of £10 is payable.

1.3.2 If you believe that any of the information that we hold about you is inaccurate, or if you have any queries about how we use your information which are not answered here, please contact us at Customer Services Department, PO Box, 520, Rotherham, S63 3BR; Telephone 0345 877 8888; Text Relay 18001 0345 877 8888; Text Talk 01709 874 997; or e-mail address Generalenquiries@lombard.co.uk

1.4 Changes to the way we use your information

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we will notify you and will allow a period of 60 days for you to raise any objections before the change is made. However, please note that in some cases if you do not agree to such changes it may not be possible for us to continue to operate your Agreement and/or provide certain products and services to you.

1.5 How we use and share your information with other RBS companies

We may use and share your information with other RBS companies. This information is used by us and them to:

- (a) assess and process applications, provide you with products and services and manage our (or their) relationship with you;
- (b) understand our customers' preferences, expectations and financial history in order to improve the products and services we offer them;
- (c) carry out financial (including credit) and insurance risk assessments and for risk reporting and risk management;
- (d) develop, test, monitor and review the performance of products, services, internal systems and security arrangements offered by RBS companies;
- (e) assess the quality of our service to customers and to provide staff training;
- (f) improve the relevance of offers of products and services by RBS companies to our customers;
- (g) recover debt;
- (h) confirm your identity; and
- (i) prevent and detect crime, including fraud and money laundering.

1.6 Sharing with third parties

1.6.1 We will not share your information with anyone outside RBS except:

- (a) where we have your permission;
- (b) where we are required by law and or by law enforcement agencies, government entities, tax authorities or regulatory bodies around the world;
- (c) to third party service providers, agents and sub-contractors acting on our behalf, such as the companies which print out account statements;
- (d) to debt collection agencies;
- (e) to credit reference and fraud prevention agencies;
- (f) to other companies that provide you with benefits or services (such as insurance cover) associated with your product or service;
- (g) Where required for a sale, reorganisation, transfer or other transaction relating to our business;
- (h) In anonymised form as part of statistics or other aggregated data shared with third parties; or

- (i) Where permitted by law, it is necessary for our legitimate interests or those of a third party, and it is not inconsistent with the purposes listed above.

1.6.2 We will not share your information with third parties for marketing purposes.

1.7 Transferring information overseas

We may transfer your information to organisations in other countries (including to other RBS companies) on the basis that anyone to whom we pass it protects it in the same way we would and in accordance with applicable laws.

1.8 Marketing information

If you have permitted us to do so, then we will send you relevant marketing information (including details of other products or services provided by us or other RBS companies which we believe may be of interest to you), by mail, phone, email, text and other forms of electronic communication. If you change your mind about how you would like us to contact you or you no longer wish to receive this information, you can tell us at any time by contacting us at Customer Services Department, PO Box,520, Rotherham, S63 3BR; Telephone 0345 877 8888; Text Relay 18001 0345 877 8888; Text Talk 01709 874 997; or e-mail address Generalenquiries@lombard.co.uk

1.9 Communications about your account

1.9.1 We will contact you with information relevant to the operation and maintenance of your account by a variety of means including via online banking, mobile banking, email, text message, post and/or telephone. If at any point in the future you change your contact details you should tell us promptly about those changes.

1.9.2 We may monitor or record calls, emails, text messages or other communications in accordance with applicable laws for the purposes outlined in the section headed **How we use and share your information with other RBS companies** above.

1.10 Credit reference and fraud prevention agencies

1.10.1 We may access and use information from credit reference agencies when you open your Agreement and periodically to:

- (a) manage and take decisions about your accounts;
- (b) prevent fraud and money laundering;
- (c) check your identity;
- (d) trace debtors and recover debts.

1.10.2 We may share information with credit reference agencies about how you manage your account including your account balance, credit limit and any arrears or default in making payments. This information will be made available to other organisations (including fraud prevention agencies and other financial institutions) so that they can take decisions about you, your associates and members of your household.

1.10.3 If false or inaccurate information is provided and/or fraud is identified or suspected, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information.

1.10.4 We and other organisations may access and share fraud prevention agency information about you to prevent fraud and money laundering, for example, when checking:

- (a) applications and managing credit or other facilities and recovering debt;
- (b) insurance proposals and claims; or
- (c) details of job applicants and employees.

We and other organisations may access and use this information from other countries.

1.10.5 If you would like a copy of your information held by the credit reference and fraud prevention agencies we use, please contact us at Customer Services Department, PO Box,520, Rotherham, S63 3BR; Telephone 0345 877 8888; Text Relay 18001 0345 877 8888; Text Talk 01709 874 997; or e-mail address Generalenquiries@lombard.co.uk where you can obtain their contact details. The agencies may charge a fee.

1.11 How long we keep your information

We will keep your information for as long as it is required by us or other RBS companies (even if your Agreement has come to an end) in order to comply with legal and regulatory requirements, or for other operational reasons, such as dealing with any queries relating to your account.

1.12 Security

We are committed to ensuring that your information is secure with us and with the third parties who act on our behalf.

CHECKLIST FOR UK MORTGAGE AGREEMENT

Specialist Aviation Services Limited

