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COMPANIES FORM No. 395

008296/65

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

[11917]

02769768

Name of company

* Flybe Limited (the "Company")

Date of creation of the charge

20 August 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

Assignment of Rights under Term Cost Plan™ Agreement in respect of one Bombardier Q400 aircraft with manufacturer's serial number 4216 with two P&WC PW 150A engines with manufacturer's serial numbers PCE-FA0481 and PCE-FA0482 between the Company, as assignor, and the Chargee, as assignee (the "Assignment")

Amount secured by the mortgage or charge

The Secured Obligations

Please see the attached Schedule 1 for further definitions

Names and addresses of the mortgagees or persons entitled to the charge

GOAL Verwaltungsgesellschaft mbH & Co Projekt Nr 52 KG, Tölzer Strasse 15, 82031 Grünwald, Germany (the "Chargee")

Postcode

Presenter's name address and reference (if any)

Clyde & Co LLP
51 Eastcheap
London
EC3M 1JP

SLT/ELG/GXH/0807901/ TCPA-4216

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

THURSDAY



Short particulars of all the property mortgaged or charged

Please see the attached Schedule 2

Please do not
write in
this margin

*Please complete
legibly, preferably
in black type, or
bold block
lettering*

Particulars as to commission allowance or discount (note 3)

None

Signed

Clyde & Co UP

Date 4 September 2008

On behalf of ~~XXXXXX XXXXXX~~ [chargee] †

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge
(See Note 5)*

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situated in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**

SCHEDULE 1

Name of Company Flybe Limited (the "**Company**")

Company number 02769768

Name of instrument Assignment

Definitions

"**Agreed Value**" has the meaning ascribed thereto in the Lease Agreement

"**Aircraft**" means the Bombardier Q400 aircraft bearing manufacturer's serial number 4216

"**Aircraft Documents**" has the meaning ascribed thereto in the Lease Agreement

"**Airframe**" means the Aircraft, excluding the Engines and the Aircraft Documents

"**Assigned Property**" means all the rights and benefits vested in and accruing to the Company under and pursuant to the TCP® in relation to the Engines

"**Bombardier Consent and Agreement**" means the consent and agreement of the Manufacturer to the Purchase Agreement Assignment to be executed by the Manufacturer on the Delivery Date

"**Bombardier Purchase Agreement**" means the purchase agreement number 606 relating to, *inter alia*, the purchase of the Aircraft dated 7 May 2007 and entered into between the Manufacturer, as seller, and the Company, as buyer

"**Delivery Date**" means 20 August 2008

"**Deregistration Power of Attorney**" has the meaning ascribed thereto in the Lease Agreement

"**Engine**" means, whether or not installed on the Aircraft

- (a) each engine described in part 1 of schedule 1 of the Lease Agreement, or
- (b) any engine which has replaced that engine, title to which has or should have passed to Owner in accordance with the Lease Agreement,

and, in each case, includes all modules, Propellers and Parts from time to time belonging to or installed in that engine but excludes any properly replaced engine

"**Engine Maintenance Provider**" means Pratt & Whitney Canada Customer Service Center Europe GmbH

"**Eurocontrol Letter**" has the meaning ascribed thereto in the Lease Agreement

"**Expiry Date**" means, subject to clause 12.3 of the Lease Agreement, the day preceding the numerically corresponding day 120 months after the Delivery Date or if earlier the date on which

- (a) the Aircraft has been redelivered in accordance with the Lease Agreement, or
- (b) the Chargee lawfully takes possession of the Aircraft in accordance with the Lease Agreement in its capacity as lessor thereunder, or
- (c) the Chargee receives the Agreed Value following an Event of Loss with respect to the Aircraft

"Event of Default" has the meaning ascribed thereto in the Lease Agreement

"Event of Loss" has the meaning ascribed thereto in the Lease Agreement

"Facility Agent" means Bayerische Landesbank, as facility agent for and on behalf of the Lenders

"Fee Letter" means the letter relating to the payment of certain fees associated with the financing of the Aircraft pursuant to the Loan Agreement dated 31 July 2008 and executed by the Company in favour of the Facility Agent

"Funding Indemnity Letter" has the meaning ascribed thereto in the Lease Agreement

"Guarantee" means the guarantee relating to the obligations of the Company under the Lease Agreement dated 6 August 2008 hereof and executed by the Guarantor in favour of the Chargee (and any replacement or renewal of that guarantee)

"Guarantor" means Flybe Group Limited, a limited liability company incorporated and existing under English law

"Initial Lender" means Bayerische Landesbank, as initial lender under the Loan Agreement

"Lease Agreement" means the lease agreement relating to the Aircraft dated 31 July 2008 and entered into between the Chargee, as lessor, and the Company, as lessee

"Lenders" means, together, the Initial Lender and its any subsequent transferees under the Loan Agreement (each, a **"Lender"**)

"Lessee Security Agreement" means the English law first priority security assignment dated 20 August 2008 and entered into between the Company, as assignor, and the Chargee, as assignee

"Loan Agreement" means the loan agreement relating to the partial financing of the Chargee's acquisition of the Aircraft dated 31 July 2008 between the Chargee, as borrower, the Lenders, the Facility Agent and the Security Trustee

"Manufacturer" means Bombardier, Inc., a Canadian corporation represented by Bombardier Aerospace, Regional Aircraft

"Other Aircraft" means the four (4) Bombardier Q400 aircraft bearing respectively manufacturer's serial number 4221, manufacturer's serial number 4224, and delivery allocation number 4 and delivery allocation number 5

"Other Lease" means, in relation to an Other Aircraft, the lease agreement relating to such Other Aircraft entered into or to be entered into between the Chargee or Other Lessor, as lessor, and the Company, as lessee (together, the **"Other Leases"**)

"Other Lessor" means any entity related to or associated with (by virtue of shareholding interest, partnership interest or otherwise) GOAL German Operating Aircraft Leasing GmbH or GOAL German Operating Aircraft Leasing GmbH & Co KG

"Other Transaction Documents" has the meaning ascribed to the term "Transaction Documents" in each Other Lease

"Owner" means the Chargee or any other person from time to time notified by the Chargee to the Company as being the owner of the Aircraft

"Part" means, whether or not for the time being installed on the Aircraft

- (a) any and all components, furnishings, equipment, accessories, instruments, navigational and communications equipment, modules and other items (other than a complete Engine) furnished with the Aircraft on the Delivery Date, and
- (b) any other component, furnishing or equipment (other than a complete Engine) title to which has passed to Chargee pursuant to the Lease Agreement,

but excludes any such items title to which has passed to the Company pursuant to the Lease Agreement

"Propeller" means, whether or not installed on an Engine

- (a) each propeller described in part 1 of schedule 1 to the Lease Agreement, or
- (b) any propeller which has replaced that propeller, title to which has or should have passed to Owner in accordance with the Lease Agreement,

but excludes any properly replaced propeller

"Purchase Agreement Assignment" means the assignment agreement relating to Bombardier Purchase Agreement (to the extent relating to the Aircraft) dated the Delivery Date and entered into between the Company, as assignor, and the Chargee, as assignee

"Relevant Secured Obligations" means the Secured Obligations to the extent relating to the Aircraft and/or the Transaction Documents

"Secured Obligations" means (a) any and all moneys and financial liabilities which are (or which are expressed to be) on the Delivery Date or at any time after the Delivery Date due, owing or payable by the Company to the Chargee in any currency, actually or contingently, with another or others, as principal or surety, on any account whatsoever under or in relation to any Transaction Document or any Other Transaction Document, including as a consequence of any breach, non-performance, disclaimer or repudiation by the Company (or by a liquidator, receiver, administrative receiver, administrator or any similar officer in respect of the Company) of any of the Company's obligations under or in relation to any Transaction Document and/or any Other Transaction Document, and (b) any and all obligations which are (or which are expressed to be) now or at any time hereafter to be performed by the Company in favour of the Chargee under or in relation to any Transaction Document and/or any Other Transaction Document

"Security Trustee" means Bayerische Landesbank, as security agent and trustee for and on behalf of the Lenders

"TCP®" means the term cost plan relating to, inter alia, the Engines dated August 2003 and entered into between the Company and the Engine Maintenance Provider

"TCP Acknowledgement" means the acknowledgement relating to the Assignment executed on the Delivery Date by the Engine Maintenance Provider in favour of the Company, the Chargee and the Security Trustee

"Transaction Documents" means , together, the Purchase Agreement Assignment, the Bombardier Consent and Agreement, the Lease Agreement, the Fee Letter, the Funding Indemnity Letter, the Deregistration Power of Attorney, the Eurocontrol Letter, the Assignment, the TCP Acknowledgement, the Lessee Security Agreement, the Guarantee, the Warranty Agreement and all other documents, notices, consents, acknowledgements and certificates from time to time entered into pursuant to or in connection with any thereof (each, a **"Transaction Document"**)

"Warranty Agreement" means the agreement relating to the warranties for the Airframe entered into on the Delivery Date between the Manufacturer, the Company, the Chargee and Security Trustee

"Warranty Rights" means the legal and beneficial title to any warranties in existence at the Expiry Date in relation to services rendered under the TCP® prior to the Expiry Date with respect to the Engines

SCHEDULE 2

Name of Company Flybe Limited (the "**Company**")

Company number 02769768

Name of instrument Assignment

1. Short Particulars of all the Property Mortgaged or Charged

The Company has assigned and agreed to assign absolutely by way of first priority security with full title guarantee to the Chargee, as continuing security for the payment, performance and discharge of the Secured Obligations all its right, title, benefit and interest (present and future) in and to the Assigned Property provided that if

- (a) the Relevant Secured Obligations shall be fully, finally, unconditionally and irrevocably paid, performed, and discharged in full, and
- (b) no Event of Default shall have occurred and be continuing,

then the Chargee shall, at the request and cost of the Company, reassign the Assigned Property to the Company without recourse or warranty or its order (to the extent not previously reassigned), together with any other instruments or securities relating thereto

Each of the Company and the Chargee have agreed pursuant to clause 2.2 of the Assignment that the Warranty Rights will, with effect from the Expiry Date, vest absolutely in the Chargee and that the security assignment effected pursuant to clause 2.1 of the Assignment will accordingly, with effect from the Expiry Date and with respect to the Warranty Rights, automatically and without further act convert to an absolute assignment in favour of the Chargee unless title to the Aircraft is transferred by the Chargee to the Company pursuant to clause 15 of the Lease Agreement, in which case the foregoing provisions of clause 2.2 of the Assignment will not apply and the Chargee will, at the request and cost of the Company, reassign the Assigned Property to the Company or its order (to the extent not previously reassigned)

The Chargee has accepted, pursuant to clause 2.3 of the Assignment, the assignment provided in clause 2.1 of the Assignment and has agreed that in its exercise of the benefit of the rights so assigned to it, including, without limitation the powers contained in clause 6 of the Assignment, it will be subject to and be bound by all limitations, disclaimers, exceptions and conditions in respect thereof contained in the TCP®

2. Negative Pledge

The Company has covenanted with the Chargee that until the reassignment of the Assigned Property to the Company pursuant to clause 2.1 of the Assignment

- (a) pursuant to clause 3(a) of the Assignment, it will not sell, assign, mortgage, charge or otherwise encumber, dispose of or deal with or grant or permit any third party rights to arise over or against the Assigned Property or any part thereof or attempt or agree so to do otherwise than pursuant to the Assignment, and
- (b) pursuant to clause 3(f) of the Assignment, it will not without the prior written consent of the Chargee

- i take or omit to take any action the taking or omission of which might result in any adverse alteration or impairment of the TCP® in respect of the Engines or the Assignment or any of the rights created thereby, and
- ii make or consent to any material variation, modification or amendment in the terms of the TCP® in respect of the Engines or release the Engine Maintenance Provider from any of its obligations thereunder or waive any breach of the obligations of the Engine Maintenance Provider under the TCP®,

3. Power of Attorney

The Company has, pursuant to clause 5.7 of the Assignment, by way of security irrevocably appointed the Chargee (and each and every person to whom the Chargee will from time to time have delegated the exercise of this power) severally to be its attorney in its name and on its behalf to execute and complete all such acts, deeds, instruments, documents and things relating to the Assigned Property (including all the matters referred to in clause 3(d) of the Assignment) provided always that such power will not be exercisable by or on behalf of the Chargee until the security constituted by the Assignment has become enforceable.

The power conferred in clause 5.7 of the Assignment is a general power of attorney under the Powers of Attorney Act 1971 and the Company will ratify and confirm and agree to ratify and confirm, whatever such attorney appointed pursuant to clause 5.7 of the Assignment does or purports to do in the exercise or purported exercise of all or any of the powers, authorities and discretions conferred pursuant to clause 5.7 of the Assignment.

4. Further Assurances and Protection of Security

Pursuant to clause 3(d) of the Assignment, the Company has covenanted, until the reassignment of the Assigned Property pursuant to clause 2.1 of the Assignment, to do all such things and execute all such assignments, transfer instruments, notices, consents, authorities and documents as the Chargee will from time to time require for perfecting the title of the Chargee to or for vesting or enabling the Company to vest the full benefit of the Assigned Property in the Chargee, such assignments, transfer instruments, notices, consents, authorities or documents to be prepared by or on behalf of the Chargee at the cost of the Company in such form as the Chargee may reasonably require.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 2769768
CHARGE NO. 197**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT AN ASSIGNMENT OF RIGHTS
UNDER TERM COST PLAN TM AGREEMENT DATED 20 AUGUST
2008 AND CREATED BY FLYBE LIMITED FOR SECURING ALL
MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO
GOAL VERWALTUNGSGESELLSCHAFT MBH & CO.PROJEKT
NR.52 KG UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE
COMPANIES ACT 1985 ON THE 4 SEPTEMBER 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 5 SEPTEMBER
2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES